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SATURDAY NIGHT

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THE CANADIAN ILLUSTRATED WEEKLY

THE FRONT PAGE

World Trade Fair

As we go to press visitors are beginning to arrive in Toronto, not only from all over Canada, but from all over the world. They are coming to the International Trade Fair on which our Department of Trade and Commerce has put so much time and forethought during the past months.

The Fair is built on two foundation-stones. First, we must treat all the world alike, we must not play favorites in our tariffs and other trade arrangements. Sometimes we may be forced to "discriminate", in fact if not in form, against one country or another, just as we are putting special hurdles in the way of U.S. goods coming into Canada just at present. But we admit that this is wrong in principle and we plan to stop it just as soon as we can.

If governments feel free to slap special restrictions on goods from one country, instead of keeping to general arrangements covering all countries alike, we shall be in for the sort of complicated obstacles to trade that Dr. Schacht made famous in Germany before the war. And, with the Canadian dollar the second-scarcest currency in the world, we can be sure that we shall be among the first to feel the full blast of any new wind from this quarter.

The second foundation stone is that we must import if we are going to export. For a short time we can sell without buying, just as long as we are willing to pay for the extra exports ourselves by means of international loans, credits or gifts. But we cannot do it forever and the sooner we get our trade with the United States and with the rest of the world into balance the better.

So it is very proper that the Fair should include exhibitors from all over the world and people who want to sell to us as well as people who want to buy from us. There are some exhibits that we are especially anxious to see. Among them is the British textile show. Two steps have already been taken to help the British get back the market they lost here during the war: a very able Canadian mission went over there last winter, and now, in his budget speech, Mr. Abbott has said that a number of important textile tariffs are going to be suspended at least until June 1949.

While the Fair is being held at the Canadian National Exhibition grounds, it will not be much like "the Ex." It is much more exclusive. No gum-chewing children; no squalling infants; no perspiring parents. Only exhibitors can go in—and certain favored mortals such as those from the government and the press. We shall, of course, go ourselves, and we expect to see a good many of our readers there, from all across Canada and from far corners of the world as well.

Lords and Senate

The inability of the Lords and Commons to come to terms on Lords Reform is entirely due to the insistence of the British government on the right to devise and carry out plans extending over four years without interference from anybody. The Lords are willing to accept a curtailment of their delaying power but are standing out for three months more than the government will allow, and the government claims that this extra three months would make it impossible to guarantee the enactment of measures introduced in the fourth session of the parliament. The dispute will apparently have to be settled in a general election.

It is most unfortunate that failure to agree on the powers of the Lords means also the destruction of an already achieved agreement on the composition of the Upper House, as the two reforms are tied together. The reformed composition scheme might have been of interest to Canada, where the problem of the Senate might crop up in serious guise at almost any time. The new House of Lords was to be

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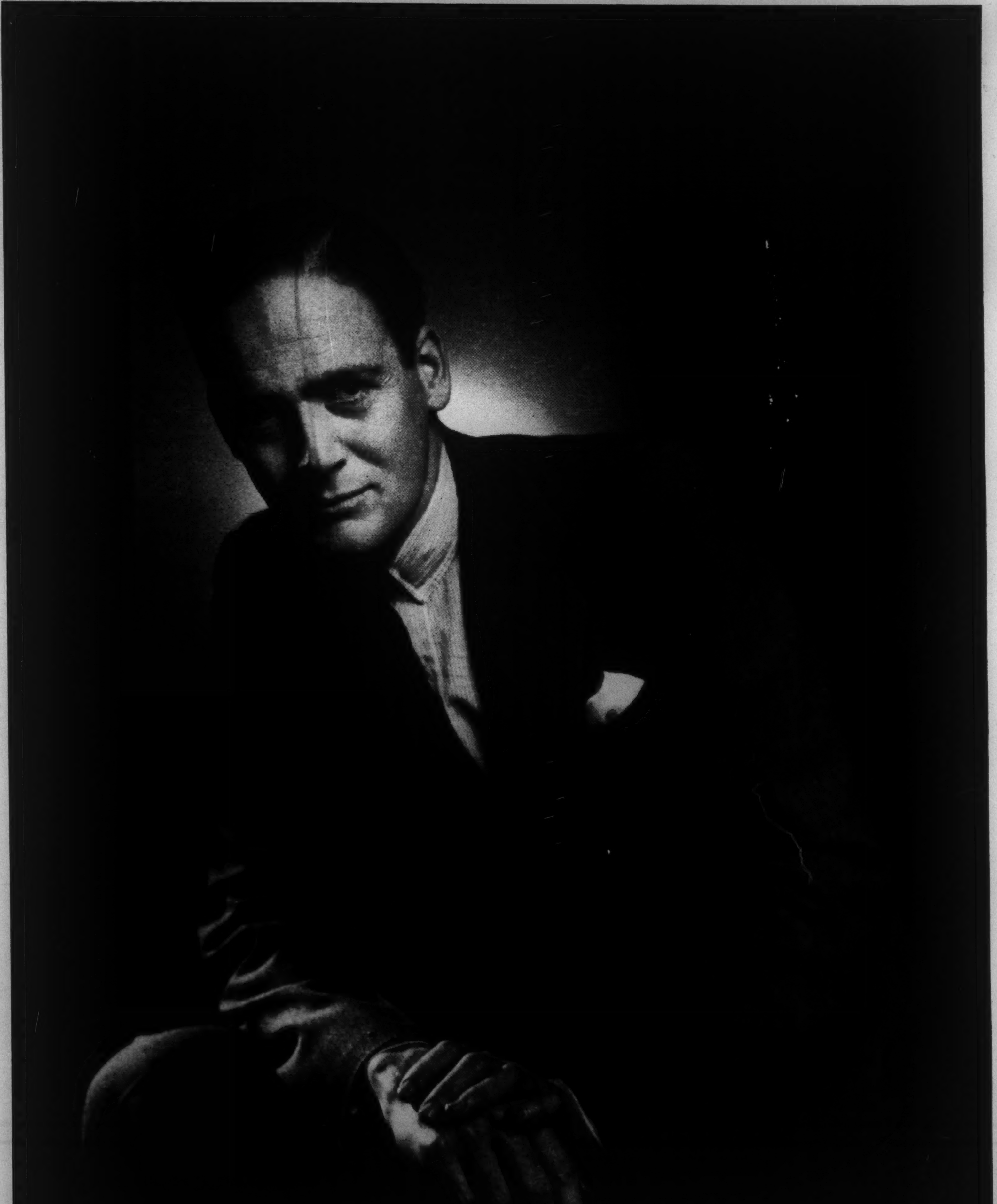

—Photo by Karsh

M. W. Mackenzie, young and aggressive Deputy Minister of the Department of Trade and Commerce which has brought into being Canada's first International Trade Fair, opening in Toronto this week-end.

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New Canadian Air Service Brings a Coral Playground

By HERBERT McMANUS

THERE is still a very bright ray of holiday sunshine in the continuing gloom of Mr. Abbott's austerity budget and financial controls. Canadians have recently had presented to them a vacation opportunity which combines unrivalled comfort of travel coupled with all the delight of foreign lands and far-away places. And all this can be accomplished not only in a matter of hours but comparatively completely free from the harassing restrictions which beset today's international travellers.

Two factors combine to bring about this happy state of affairs. The first is the inauguration of Canada's own air service to Bermuda; the second is that this famed Atlantic playground is within the sterling area. For a month in Bermuda $500 is available with $400 for the next four months; the simple matter of a Form "H" and the use of travellers' cheques can be arranged by any bank in a matter of minutes. The second factor, and the really operative one, is that Hamilton, Bermuda, is now only a matter of some five hours non-stop flight from Malton or Dorval. And today swifter methods than dog sled are available to transport Canadians to Toronto or Montreal.

The flight to Bermuda is one of the most pleasant and painless of today's thousands of scheduled air trips. Everything has been done for the comfort and convenience of even the most inexperienced air traveller. Pressurized cabins of the great airliners eliminate all discomfort or sensation of height; restful decoration and equipment are combined with top-level service. Great advances have been made in airline food and a sizzling steak is now completely normal. Fortified by this, soothed by an extensive wine list, refreshed by an occasional

—Photographs courtesy Trans-Canada Air Lines and Bermuda News Bureau.

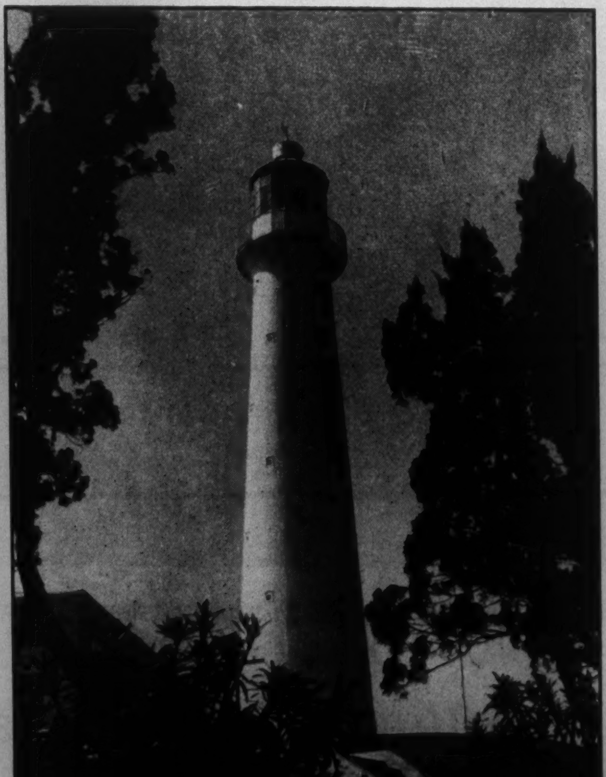
CF-
AIR LINES

The Magic Carpet in operation. Canadian-built North Star flying over Bermuda with the magnificently designed and equipped airport, Kindley Field, in the background.

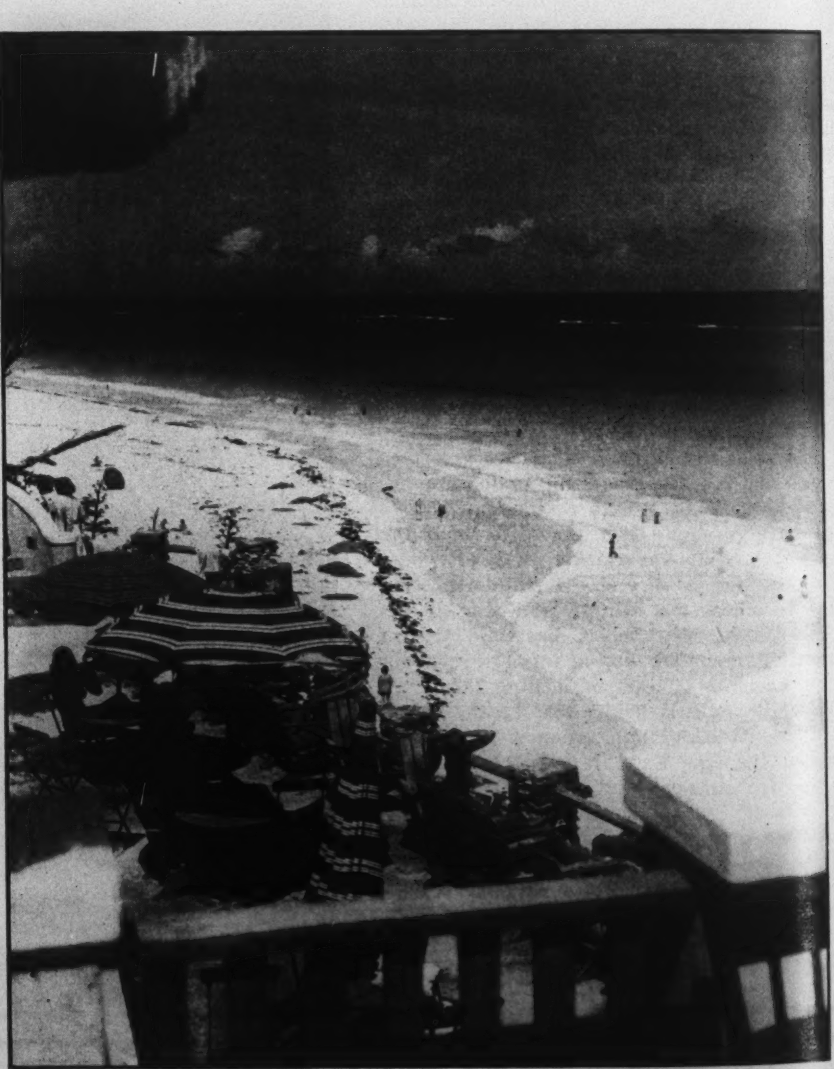
From its hilltop setting of Bermuda cedars the Eagle's Nest looks over Hamilton harbor.

Winding roads lined with semi-tropical plants are best enjoyed from a bicycle.

Three forms of transportation are still popular but the small English car is now making headway.



Famed century-old Gibbs' Hill lighthouse still guides all shipping to Bermuda. View from balcony is superb.



The green-blue waters and the pink sands of the many beaches are among the islands' chief attractions. Here is a typical scene.

TRANS-CANADA AIR LINES

Canadian airliner refuels at Kindley Field, a modern airport artificially built of dredged-up coral from sea bottom.

Within Five Hours Non-Stop of Toronto and Montreal

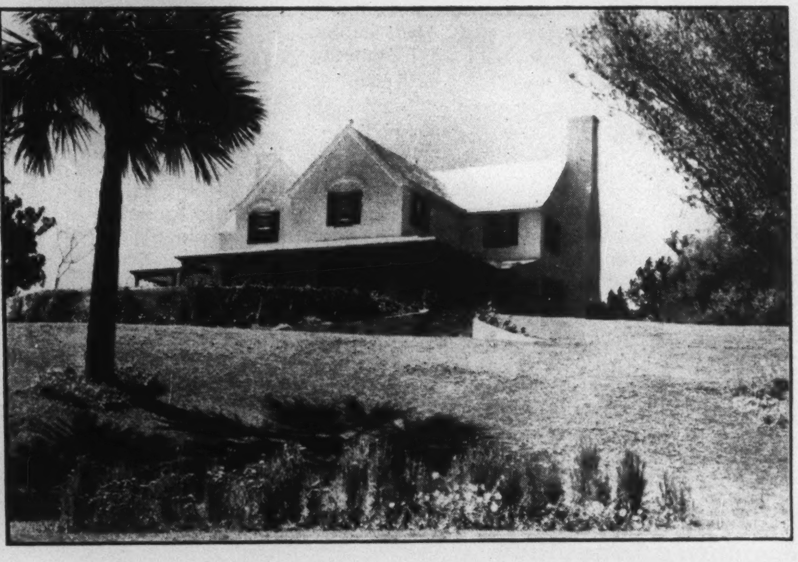
glimpse of Boston or New York, the air traveller all too soon finds himself further rewarded by the spectacle of the turquoise waters and green vegetation of the pink and white islands.

Bermuda today has completed all the essential stages of recovery from its war role and is ready again to distil for visitors its own peculiar brand of charm and magic. Chief ingredient of this, and perhaps the most important one for a really successful holiday, is the complete sense of restfulness so seldom achieved anywhere on the North American continent. Bermuda has the beauty of the English countryside, the relaxing air of the Cornish Riviera and a sub-tropical brilliance of its own. In Bermuda leisure acquires full meaning and significance.

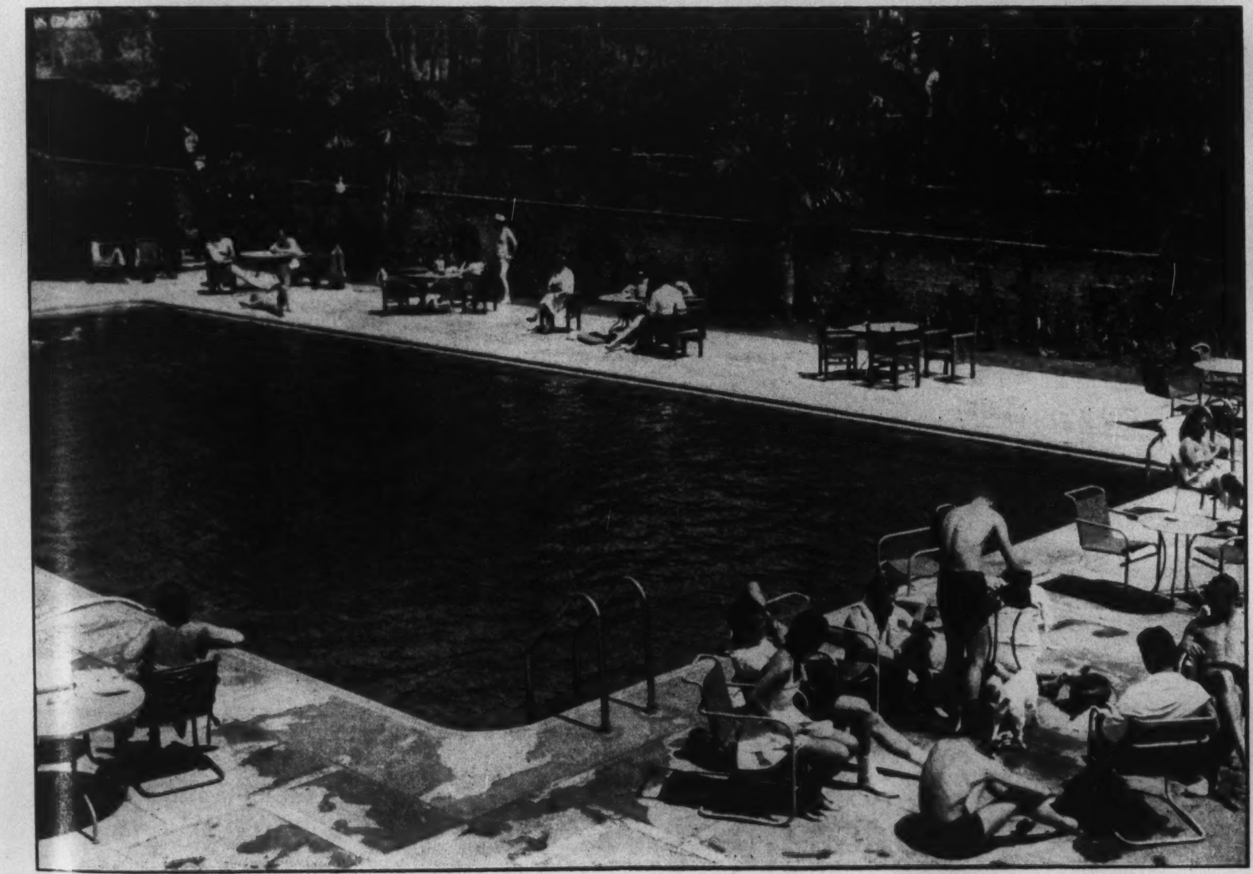
BERMUDA'S business is the entertainment of visitors and long years of experience have brought the touch of the perfectionist. For example, in the matter of currency no problem arises. With the Bermuda pound at $4, the shilling becomes 20 cents, a five-shilling note (they have them) $1 and a ten shilling note $2. Bermudians are completely tri-lingual in Canadian, American and their own currency; the visitor acquires a similar knack in a matter of hours. Everywhere similar conveniences in accommodation, transport and service have been carefully and unobtrusively developed.

Over all, of course, is the enveloping beauty of the scene which blends sky and ocean and islands into a changing pageant of color. Nothing seems to mar the harmony; even American millionaires and American base-occupation troops assume a protective coloration. Bermuda is the closest ideal spot for Canadians to relax and rest and forget. Perhaps even to forget Mr. Abbott.

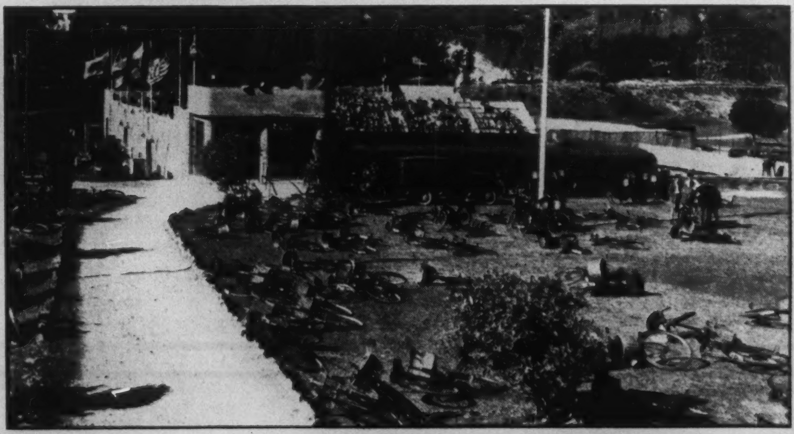
Front Street is the comparatively busy "main" street of Hamilton. It runs along the picturesque harbor which shelters all craft, from ocean liners to yachts and swift motor boats.



Typical Bermuda residence with palms, green turf and flower beds. The view is over an inland sound or the ocean itself.



Less energetic visitors to Bermuda do not need to travel to the seashore as most of the larger hotels are equipped with pools. Sunbathing after a dip is a relaxing pastime.



The parking problem simplified. Bermudians and visitors casually deposit their bicycles outside a tennis match.

Waterfront from the air. At left of circle is the Royal Bermuda Yacht Club with ferry dock at right.

Bermuda business architecture. Airline and steamship offices in Hamilton.

The ocean is never very far away in any part of the islands as this view across Hamilton harbor graphically reveals.

Dear Mr. Editor

World Wheat Pact

THERE is merit in Mr. Strange's article on the International Wheat Pact (S.N., May 8). However. the real issue concerns not alone the weakness of inter-governmental commodity agreements, but the comparative economic efficiency of marketing through such agreements as an alternative to employing commodity exchanges. I recognize the limitations of the International Wheat Agreement. Some of the most serious were not even mentioned by Mr. Strange.

But in considering the relative merits of these two marketing mechanisms we should be aware of: (1) Lord Keynes' views on the pricing function performed by commodity exchanges. He wrote in 1938 " . . . assuredly nothing could be more inefficient than the present system by which the price is always too high or too low and there are frequent meaningless fluctuations in the plant and labor force employed". (2) The Committee on Economic Development study entitled *Controlling World Trade,* in which Professor Mason of Harvard University sums up his position by the statement that recognizing all their limitations the people of the U. S. would be well advised to support intergovernmental commodity arrangements. (3) Some very big questions about results arising from speculation in farm commodities have recently been asked and not answered in the U. S. Senate investigation of this subect.

Readers of the article will have no doubt that all is not well with the International Wheat Agreement. I suggest that there is evidence for suspecting that, in economic terms, all is not well with the commodity exchanges.

DAVID L. MACFARLANE
Professor of Economics
Macdonald College, Quebec.

The Real Goat?

YOUR editorial "The Basic Principle" (S.N.. May 15) put a finger right on the sore spot of the competitive system. Perversion of competition into monopoly can wreck the smooth working of the entire free enterprise scheme. As you pointed out, monopolistic operations are not confined to management; labor can employ monopoly powers even more facilely and with more disastrous effects on our economy. The real goat who pays for these controls at both labor and management ends, is the unorganized middle-class man — I don't care whether he's an invoice clerk or a small shopowner—who is neither in a union nor in an executive position.

Montreal, Que. R. J. MORROW

Franklin's Expedition

W. R. WILLIAMS ("Franklin's Second Expedition, S.N., May 15) may be interested in hearing of another association piece, in the possession of the undersigned—a copy of Sir Francis Bond Head's narrative published by Murray in London, England in 1839. In this copy I found a letter addressed to J. Griffin, Esq., who was the father of the second Lady Franklin. It reads as follows; "My Dear Sir: Please read Sir F. Head's narrative and you will then, I think, see the expediency of forwarding the copy now sent, by the first opportunity to Sir John Franklin with my kindest wishes to him and Lady. Compliments to all your family. Most sincerely, John Murray." On the inside cover of the book is the book plate of "Baldwin of Spadina, in the County of York, Upper Canada."

Speculation as to how this copy got into the hands of Baldwin is one of those things that adds to the pleasure of book collecting. It seems within the bounds of reason to suggest that Sir John Franklin must have met Baldwin when the expedition was being prepared for its journey north from York to Penetanguishene. The route would have been up Yonge Street to Lake Simcoe, or, more logically still, Franklin would have moved his men and supplies up the Humber. Perhaps Sir John sent Baldwin the book, which is now in my possession, sometime between 1839 and the start of his last tragic journey to the Arctic.

Ottawa, Ont. N. L. BURNETTE

AS MUCH AS WE CAN

THEY'VE conducted a costly inquiry
On a wholesaler's profits in meat,
And they've asked him embarrassing questions
To the glee of the man in the street,
And they've gained this amazing confession
From the chief of the meatpacking clan:
That he buys for the least he can manage
And he sells for as much as he can.

So the men in the street are elated,
And there's joy among men of the press,
And politicos scramble their platforms
As they promise immediate redress;
But their bitterness makes them forgetful—
It's as old and as basic as Man
To acquire for the least you can manage
And to sell for as much as you can.

J. E. P.

Terra-cotta portrait bust of Joan Michener by Toronto sculptor Arthur J. Tracy. An air of classical serenity has been achieved by the simple disposition of the masses and through the gently flowing lines which surround the focal element of the face.

University's Achievements

THE University of Toronto seems to be doing a fine job in developing engineers, according to your picture story of their achievements (S.N., May 8).

But let's not forget what the university does for the student's minds and characters—and for the knowledge of the hundreds who attend extension courses. Those accomplishments do not lend themselves so easily to pictorial display but they are far more important than mining expansion or pulp industry development.

Toronto, Ont. GEORGE LARMOUTH

Dirty School

ANY medical graduate of Varsity seeing that picture story (S.N., May 8) would be prompted to yell the time-worn invective "Dirty School!" To keep partiality in the old Meds.-S.P.S. (School of Practical Science) rivalry off the pages of SATURDAY NIGHT, how about some pictures on U. of T. medical research?

Toronto, Ont. BEN GREENBAUM

Crossword Sinner

I AM glad to see that SATURDAY NIGHT has taken up crossword puzzles. That was a nice one by Louis and Dorothy Crerar (S.N., May 8). I am a very old sinner with them—*Times,* Torquemade, etc. You properly omit anag., abbr., init., and such. *Crerar* means riddler (Gaelic *criathar air,* from criathair, a sieve or riddle). Make the next a little harder.

Kingston, Ont. A. M. ALEXANDER

India's Art

PAUL DUVAL makes a valid suggestion about India's art—that "art can do much to unite India" (S.N., May 15). Art already has gone far along this line in cultured Indian circles. Many years ago I attended an art exhibition in Calcutta's Victoria Memorial Museum, that great repository of Indian history. Moslems, Hindus and English were on the show's committee, and works of Hindus (perhaps including Amrita Sher Gill's) and Moslems were hung side by side. Those who attended represented many faiths but appreciated the art only for art's sake.

Seattle, Wash. JOHN GUNN

Jewish State

THAT, in spite of persecution of the most horrible kind, Jews have survived and have spread over the earth's surface, is living testimony to their indomitable belief in the religion of their fathers. What can be achieved where men and women are moved by an ideal, has been marvelously demonstrated in what has been accomplished in Palestine, now the new State of Israel, to the economic, educational, and scientific advantage of Jew, Arab, and Christian.

Where a community is inspired by faith in its future, it works with enthusiasm and engenders the cooperative spirit that makes for unity and brotherhood. Hence, it is difficult to understand that having once decided that the people of the Book are justified in their demand for a state of their own, the United Nations should hesitate doing all that its influence and prestige permit to make it plain to those who oppose the setting up and recognition of the Jewish state, that its decision in justice to the hard working and idealistic Jewish population of Palestine must be carried out.

Montreal, Que. BERNARD ROSE

Scent of Democracy

YOUR editorial "Springtime in Ottawa" (S.N., May 15) was redolent of all the atmosphere that Ottawa can give forth at this time of the year. It was a fine little whiff of reminiscing for anyone who might have been stationed there during the war. (I am an ex-C.W.A.C.) But just the same, with all its damp grounds for pretty civil service stenogs to catch colds on, and its summer-steaming temporary government buildings, and its ever-present smell of Eddy's sulphur pile, the capital, we must remember, was the place in which Igor Gouzenko took his first deep breaths of democracy and thereby gave us the best spy-story of our times (S.N., May 8). How about the U.N. bottling that marvellous perfume for the men in the Kremlin?

Winnipeg, Man. HILDA RUSHFORD

Budding Journalists

CORRESPONDENT Ben Nobleman's bitter complaint about Canada offering few opportunities for budding "journalists" (Does he mean newspapermen, magazine writers, copy-boys, or what?) has no more weight than the suggestion that the Dominion offers none to our medical graduates (S.N., May 8).

Does he think that a lad wanting to be a newspaperman won't get a chance unless he can shoot at a Pulitzer-type "Dafoe Prize"? Incidentally, that proposed title really shakes me. Was it a prize that sparked the late John Dafoe? Was it a spate of short story contests that fetched Morley Callaghan or Ross Munro or Ralph Allen?

Montreal, Que. T. M. WILLSON

Benefits of Buttermilk

REFERRING to "Buttermilk Cure" (S.N. April 24.), I became a near cripple from rheumatic and sciatic troubles after the First World War. Thanks to a glass of buttermilk a day, I have been free from that torture for 15 years. A friend who hated the taste of buttermilk finally tried it, now likes it, and has been free of the rheumatic pains for 10 years. Another friend, a veteran of 1914-18, spent a great deal of money seeking some relief. After a few months with the buttermilk, he is confident that the trouble is leaving.

Calgary, Alta. C. V. ASSELSTINE

Antidote

RE JEAN TWEED'S heartening article on prison reform experiments (S.N., May 22), it made good antidotal reading for the impressions about our prisons that one got most of the time this past winter—repeated breaks, attempted breaks and riots at Burwash, and breaks at Guelph, not to speak of an attempted break with the murder of a guard at Kingston Penitentiary a month or so ago.

Hamilton, Ont. J. M. CONNORS

Passing Show

THE military forces in Palestine during the British mandate cost the British taxpayer one hundred million pounds. There are cheaper ways of buying brickbats.

•

There is a difference between educationists and teachers. Educationists are pepole who discuss education. Teachers are people who teach.

•

The British opinion seems to be that nationalization of industry is the finest thing in the world if only you don't have too much of it.

•

In a planned economy the great question is, are you going to be a planner or are you going to be a plannee?

•

U.S. military policy is said to contemplate leaving Europe to be overrun by the Russians until America is strong enough to throw them out. Europe seems to be between the Iron Curtain and the Water Curtain.

•

A British traveller reports that Americans in California are not interested in money. They don't have to be; they've got it.

•

Double Praise

News that the British troops when leaving Palestine were equally unpopular with Arabs and Jews is perhaps the best tribute they could have received.

•

It's a hard world. Bonuses for babies, votes for youngsters of eighteen, tax exemptions for people of 65, and the ages in between paying for everything.

•

"Prices will go higher if inflationary pressures prevail."—Hon. Mr. Abbott.

What is an inflationary pressure? The chance that you are *not* one, gentle reader, is about one in a million.

•

Another reason for the high price of wool is the record number of sheepskins handed out this month by Canadian universities.

•

"Leading Businessmen Hit by Budget" says a headline. It might have read the other way.

•

The goldeye is vanishing, according to Winnipeg despatches. Canada going off the goldeye standard?

•

Mr. Churchill's Academy painting is "The Goldfish Pool". He should have great sympathy with his subject; he practically lives in one.

•

All Czechs of voting age will be compelled to vote on May 30, and no candidates will be nominated except by the Communist party. We predict that the Communists will probably win.

•

Lucy says she can hardly wait to be sixty-five and enjoy Mr. Abbott's additional $500 tax exemption.

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The Front Page

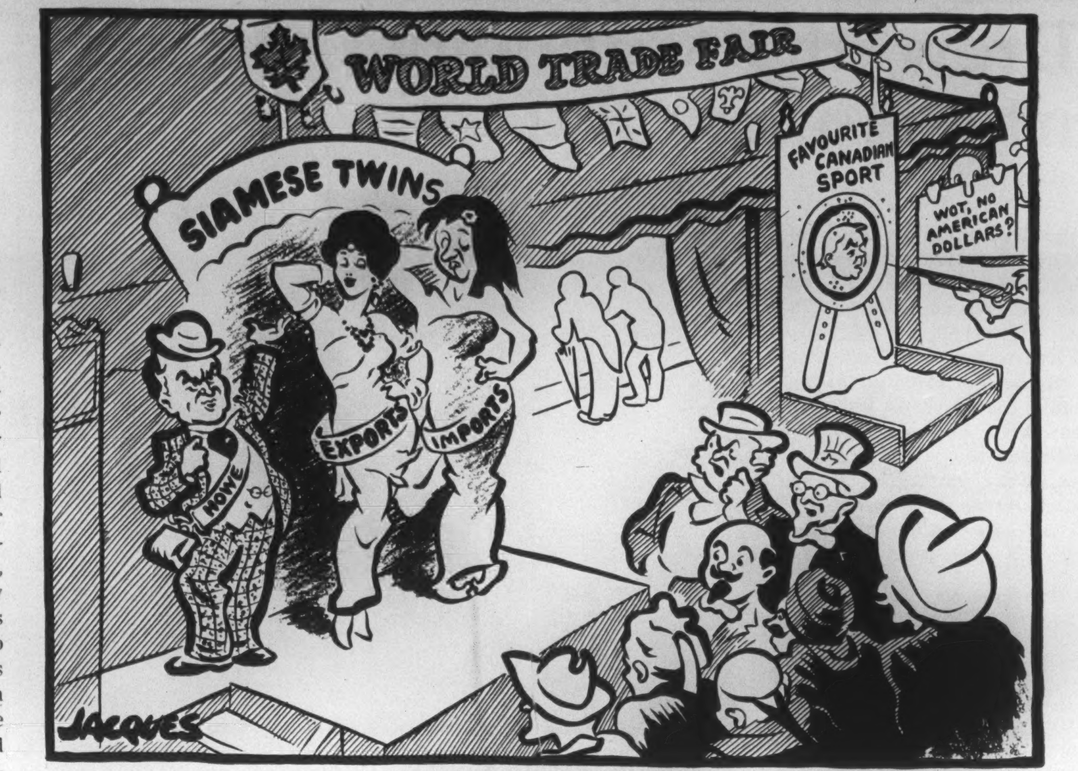
(Continued from Page One)

such "as to secure as far as practicable that a permanent majority is not assured for any one political party", and in advising the King as to appointments the prime minister was to "have regard to the all-party understanding on the composition of the Second Chamber". Members were to be styled Lords of Parliament to distinguish them from the mere hereditary peers who would go on enjoying their titles but have no legislative functions. They were to be appointed "on grounds of personal distinction or public service" and remunerated during service. Appointments were to be for life. All the privy councillors (about a hundred), certain descendants of the sovereign, certain Lords Spiritual (bishops) and the Law Lords were to be included. Hereditary peers who were not Lords of Parliament were to have the rights of ordinary citizens as regards voting, election to the Commons, etc. Women were to be eligible as Lords. There was to be no fixed number of Lords, but it is believed that something between three and four hundred was anticipated.

The unfortunate circumstance that our Senate has to be representative of the provinces makes most of the best features of this scheme inapplicable to Canada, but if it were possible to require the prime minister to "have regard to an all-party understanding" when making appointments we should have a much better Senate than we have.

Col. Ralston

COL. RALSTON was typical of the many statesmen that the Maritime Provinces have given to Canada: able, industrious, cool, clear-headed, and above all true to himself and to his country. He held several cabinet posts, but will be remembered chiefly as the Minister of National Defence who resigned when he could not get the Prime Minister and the rest of his colleagues to accept conscription in October 1944. It is said that he would have accepted the compromise that the cabinet adopted a few weeks later; but fast footwork, however much it may sometimes be needed in politics, is not the mark of a wartime leader of men, and Col. Ralston knew it. His staff and officials will always think of him as a man unduly burdened down with details, yet never forgetting the main issue, and never letting personal considerations—such as food or sleep—interfere with his work. He had a great job to do, and we cannot think of anyone who could have done it better.



INSEPARABLE

A Dangerous Tax

THE estimated revenue of the Dominion government for the fiscal year just ended includes $364 millions from corporation income tax. This is an increase of more than fifty per cent from the previous year, which itself showed a substantial increase from the year before that. This item in 1947-8 is estimated to contribute nearly 15 per cent of the whole revenue of the Dominion.

Every dollar of this tax belongs to one or the other of two kinds of taxation; it is either a dual tax upon the incomes of the owners of the corporations, or—to the extent to which it is passed on to the consumers—it is a consumption tax on every article or service which is turned out by the taxed companies.

In a sellers' market such as we have been experiencing, the chances are that by far the greater part of this tax is added to the cost of production and then to the selling price; and in those conditions we have no great objection to the temporary retention of the tax. Taxes on consumption are at least a much less serious deterrent to productive effort than taxes on income.

But we shall not continue for all time to be in a sellers' market. And with any kind of a business recession, this tax will immediately cease to be a cost recoverable from the consumers, and become a direct and highly effective tax on income. And when that happens it will, because it is a dual tax imposed in addition to the personal income tax, become a direct and powerful deterrent to new enterprise. The recipient of an income derived from stock holdings in a company must pay, in addition to the regular rate of income tax paid by everybody, an extra four per cent tax on all that part of his investment income which exceeds $1,800 a year, and before that income reaches his hands it is subjected to a tax of 30 per cent on the net taxable profits of the company. This means simply that nobody will put money into a new enterprise unless it is reasonably assured of profits at least fifty per cent greater than would be required if there were no corporation income tax. In speculative enterprises involving risk of loss the expected profit must be even greater, for the Minister of Finance makes no contribution towards losses to offset what he takes from profits.

It is a dangerous form of taxation which should be abandoned or modified as soon as the present artificial prosperity shows signs of abatement—or a little earlier.

A Fateful Decision

SO SHINES a good deed in a naughty world. We think Canadians will be interested in the fact that an Ontario court decision seems to have set the pattern for a line of legal thinking that has led the Supreme Court of the United States to a unanimous decision that restrictive covenants on real estate, which bar any class of persons from purchase or tenancy because of race or color, are invalid and unenforceable in law.

The hero of this decision, however, is not the Supreme Court or any member of it, but the dissenting member of the D.C. Court of Appeals which by majority vote turned down the same proposition and upheld the restrictive covenants. And the passage in the dissenting opinion of Mr. Justice Edgerton about which we feel some pride is this:

"The Charter of the United Nations provides for . . . universal respect for fundamental human rights without distinction as to race. In ruling that racial covenants are contrary to current public policy, a Canadian court relies in part on Canada's adherence to the Charter. America's adherence to the Charter . . . cannot be neglected in any consideration of the policy of preventing men from buying homes because they are Negroes."

The whole of Mr. Justice Edgerton's argument on the issue of public policy has attracted wide attention among American authorities, and we have no doubt that it was largely influential in bringing about the far-reaching decision of the Supreme Court.

Canadian Classics

NOBODY, of course, will agree completely with the selection of the Canadian "hundred best books" (in English) which has just been put forth over the signatures of eight eminent literary personages of the Dominion (who with great self-denial have refrained from nominating any of one-another's productions). Nevertheless we think that the eight gentlemen (yes, we have no ladies!) have performed a considerable public service. It might have been well if they had omitted not only their own works but also any works written within the last ten years, for it is seldom possible to judge of the permanence of an original work in so short a time; but Canadian literature is very young, and they may have felt that they could not fill the hundred niches with worthy statues without including "The Owl Pen" and "His Majesty's Yankees."

With the contemporaries out, room could have been found for E. W. Thomson, a short-story classic of the 'nineties, for Goldwin Smith (the committee excludes him from the hundred but wants somebody to do a volume of selected essays by him), for some more Osler (he was the greatest general intellect that we have produced), for another biography or two (Adam Shortt's "Lord Sydenham," for instance), and at least one diary of an early explorer.

Prepared mainly for UNESCO, to help the literary students of other nations to an understanding of the Canadian mind, this list will also be helpful to Canadian publishers looking for old books that need reissuing. Oddly enough there is now an organization devoting itself to this kind of publishing, and mainly though not wholly of works in the Canadian fields. This is the Reprint Society of Canada Ltd., 1040 Bleury street, Montreal, which has already embarked on a reprint of one of the hundred, to appear shortly, — the unquestioned classic "Brown Waters" of W. H. Blake. Earlier volumes, still obtainable, include "Sunshine Sketches" and "The Building of Jalna," both listed in the hundred. The society's reissues are interspersed with English titles, and all have so far been selected with excellent judgment. We should hate to urge the society to reprint Heavysege's "Saul, a Drama," or any foreign translator to render it into Swedish or Chinese; but the society might look into the possibilities regarding Osler, Paul Kane, Sir Andrew Macphail, Professor Wrong and several others.

Too Much for U.N.

WE THINK that the Toronto East Presbytery of the United Church showed a good deal of unwisdom in passing a resolution "that Canada shall not enter into an agreement to ship arms to any nation engaged in civil war, except at the request of the United Nations Security Council." That is exactly the kind of effort to evade responsibility, by passing it on to an authority which is in no position to accept it, which led so many religious people into so many and fatal errors in the days of the League of Nations.

The United Nations Security Council will take no action in regard to any civil war which involves a conflict between a party favorable to the progress of Communism and a party unfavorable to it. The Toronto East Presbytery knows that perfectly well. It is in effect demanding that Canada shall take no interest in any such civil war, and the proposition appears to us to be highly dangerous. Such a civil war might easily involve the interests, and even the security, of Great Britain or some sister nation of the Commonwealth, or of the United States. It might occur in Iceland, imperilling the air routes between this continent and Britain. It might occur in the Southern Pacific, imperilling the communications of Australia. The principle involved in the resolution would prevent the United States from supplying arms to Canada to suppress a Communist rebellion, say in the vicinity of our uranium deposits, if such a thing were to happen, though we do not suggest that it is likely to, nor that the United States is likely to accept any such doctrine.

He is no friend of the United Nations—or at least no wise friend—who seeks to throw upon that admirable but rather tentative organization a degree of responsibility which it does not want and could not fulfil. We hope that some other local Presbytery will pass some contrary resolution and then Mr. St. Laurent will not have to pay any attention to either of them. In any event, would it not be wiser practice for local Presbyteries to remit resolutions on national policy to the general body which can speak in the name of the entire United Church of all Canada?

"Certain Elements"

RONDEAU PARK is a provincial park in Ontario. According to the Canada Year Book it consists of eight square miles, partly cultivated, with fine timber stands and highly developed camping facilities. There are some enclosed animals and others running wild.

Campers can rent cabins built in the park by people who have leased land for the purpose. There is a Leaseholders' Association and, according to its letterhead, the president this year is Mr. Harold M. Owen of Detroit, Mich. We have before us a circular letter, to the leaseholders, dated May 14, and signed H. M. Owen. It reads, in part, as follows:

"A covenant was adopted by your association and signed by the property owners to protect the character of cottage occupants from the encroachment of certain elements. This agreement should be maintained and extended. The Department of Lands and Forests through the very efficient efforts of Superintendent Robert A. McLaren is providing many facilities, noteworthy of which is the control of mosquitoes and insects by spraying. However, this is a government park, public in nature, and restrictive measures that we feel should be exercised can be accomplished only by voluntary, uniform action on our part."

If Mr. Harold Owen of Detroit, Mich., wants to lease land in one of our parks we are only too pleased. If he and some of his fellow leaseholders decide they will not rent their cottages to "certain elements" we are not nearly so pleased, but doubt they can be forced to do so. But when it comes to providing them with "facilities" at public expense—that is another matter.

We urge the Provincial Government to instruct Superintendent McLaren to stop controlling animals and insects. Why should this be done, at the expense of the provincial taxpayers who include *all* elements, for the profit and pleasure of a group of people who insist on keeping out *certain* elements? We only hope that Mr. Owen and his friends get bitten by something bigger than mosquitoes.

Burning Holes

OUR presses started to roll on last week's issue a few hours before Mr. Abbott began his budget speech, so this is our first chance to agree with almost everyone else that he is brave as well as wise to keep taxes up, and that there will not be an election before next year's budget.

The danger in budgeting for such a large surplus is that, as the year goes by, various departments of government will come running to him with "supplementary estimates" to cover new expenditures not planned at present. Elections will be nearer then than they are now, and if he is to be honest with himself and with us he must keep up the courage of his present convictions. He must not let his big surplus burn holes in his pocket.

THE INHERITANCE

WE RIGHTLY praise the Engineer
Who stamps to dust the rocky hill,
Who fashions many a cunning gear
To turn the river to his will.
But seldom do we praise enough
The man of stern austerity,
In sable gown of common stuff,
Who taught him trigonometry.

The Engineer's high virtues wake
Our admiration and acclaim—
The love of truth, the urge to make
Exactitude his only aim.
But some one else deserves a bow:
The girl, commanding in Grade Eight,
Happed in a distant graveyard now,
Who taught him to be accurate.

J. E. M.

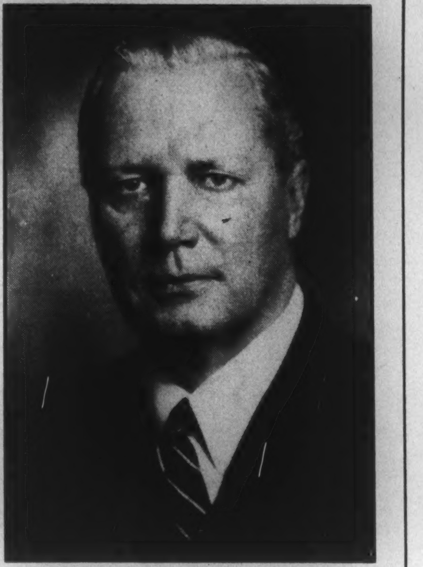
Has Premier Drew the Capacity To Lead a Party Nationally?

By D. P. O'HEARN

There has always been some doubt as to the leadership qualities of Premier Drew. When elected to head the Progressive Conservatives in Ontario there were those who held he wouldn't be successful. At the 1942 national convention in Winnipeg it was said he couldn't lead a party outside Ontario.

After five years in office in Ontario, Mr. O'Hearn says, Mr. Drew has shown himself to be a sound strategist. He has been a forceful leader and a good administrator, though inclined to take too much on his own shoulders. As a parliamentarian he has been able, and as a public speaker he has displayed probably his greatest strength.

His main weakness has been an unattractive public personality. The trend at the polls has shown that this has been overcome in his home province, however, and indicates it is not an insuperable obstacle nationally.



PREMIER GEORGE A. DREW

THIS month as he campaigns in the Ontario election George Drew is doing a dual job. First of all, of course, he is making his bid to be returned as premier of the province for the third time, but he is also incidentally demonstrating his qualifications for the national leadership of the Progressive Conservative party.

As the second most prominent man in the party (at least) and the logical successor to Mr. Bracken, Mr. Drew should be a certainty for the leadership. But he knows there is some doubt whether he will get it. This doubt is the same one which in 1938 nearly prevented him from being named to the provincial leadership and in 1942 knocked him out of the race for the national mantle before it was underway. It is the doubt whether he has the qualities to make a successful political leader.

How strongly this uncertainty still exists in Conservative ranks today is hard to say. But it is certainly there. How much ground there is for it is also probably hard to say. But at least now there is some basis for judgment. When Mr. Drew was last the subject of leadership controversy, at Winnipeg in 1942, he was largely untried. Since then he has spent five years as leader of the government in Ontario. This may not be an all-embracing test of his merit but it does give some indication. It makes it seem worthwhile to look at his record, and perhaps from it find out how well-founded those doubts are.

As a Strategist

One of the main points of doubt as to Mr. Drew was how he would prove as a strategist. It was thought, particularly in view of his tendency towards crusading and his rapid response to attack, that he might turn out to be impatient and take major steps when ill-prepared.

This has turned out to be ill-founded. As premier he has shown good pace. He has displayed increasing patience and has bided his time usually until the ground was ready. In 1945 when his government had had sufficient time to give a demonstration of its ability he manoeuvred an election, but before then he had nimbly managed to avoid one. Once returned to power in good strength he immediately introduced probably his only piece of really controversial legislation, the cocktail bar law, and got it on the books and operative early enough to be largely out of the way as an issue in the current election.

Similarly, in steering the government in the house he followed carefully planned tactics before the present election which finds the opposition pledged, partially at least, in favor of the government's action in practically all contentious fields. His legislation on hydro, housing, welfare and other fields was drafted so that the Liberals and C.C.F., while they couldn't entirely agree with it, couldn't very well vote against it.

As an administrator Mr. Drew has also proven most capable. While inclined to take too much on his own shoulders he has tremendous energy and seems to manage to get everything done. In addition to the government leadership he has held the education portfolio and it has been one of the most active departments of the government. Also he has taken a large hand in the direction of two other departments, provincial secretary and planning and development. The first of these was extensively reorganized; the second was responsible for the very successful air immigration plan.

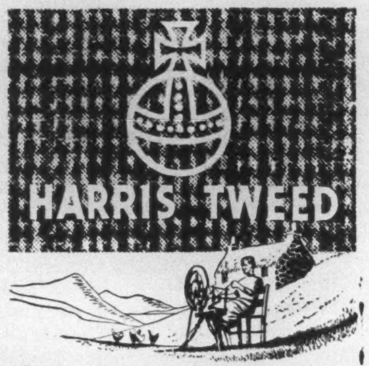
One-Man Show?

There has been the charge from the opposition that the government is a "one-man show". While there is perhaps some justification for the charge in that Mr. Drew takes a firmer hand in all branches of the government than is customary, and does seem to hog the lion's share of the public eye, he certainly isn't running the whole government. The majority of the departments have capable ministers and they are running them, in fact so much so in some cases that private members have complained to the premier that they, in turn, are "one-man shows".

As administrator of the party welfare Mr. Drew has apparently been equally successful. From the members of the caucus when one hears criticism of the government it is seldom directed at the premier. There is minor criticism of him personally, and often quite heated talk about various of his ministers, but very few words are heard against his leadership. And it is significant that private members when in trouble almost invariably head for him personally and usually come away satisfied.

One point on which there never has been much doubt has been Mr. Drew's ability as a parliamentarian. When leading his party in opposition he demonstrated he was an able and aggressive critic. Since taking over as premier he has shown that he is equally effective as house leader.

When things are running smoothly, he conducts the Legislature with great dignity and on a high level of debate. When the road gets rough, and in particular personal, the tone is apt to lower a little and the leader will indulge in some good old-fashioned recrimination. However, in the recent Legislature in the absence of Mitch Hepburn, the one man who was a sure bet to get under the Drew skin every time he rose, these spells were infrequent. The only ones capable of raising his real ire (which is signalled by a red glow which starts at his collar and eventually spreads



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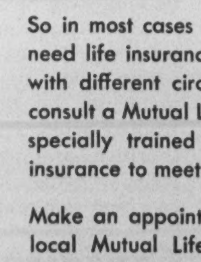

THE MUTUAL LIFE OF CANADA
HEAD OFFICE
WATERLOO, ONTARIO

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to his whole countenance) were the Communists, and in recent months they did not have much success in baiting him.

In the Legislature, as with the conduct of the government, he keeps his hand very much on the wheel and spends the bulk of his time in the chamber when the house is sitting; one exception being when the Communists are speaking. Major announcements he invariably makes himself and he also often takes over the defence of one of the departments if it happens to become embroiled. At all times his leadership in the house is firm, including occasions when he might get tripped up on the rules, on which at times his interpretations haven't been perfect.

Platform Ability

Another field, however, has been Mr. Drew's greatest strength. This is the public platform. One of the most assiduous public speakers of the day, he is a top hand on the after-dinner circuit, whether it be in the service club or the bush leagues.

When really in form it is doubtful if there is a more forceful or convincing speaker in Canada today. His powerful and well-controlled voice carries sincerity and the power of swaying audiences. Liberals have been known to emerge from hearing him and say, "He told me black was white but I believed him . . . while I was there". With other less ardently partisan listeners he undoubtedly has done a lot of work on selling himself and the party in his innumerable appearances throughout the province.

His standards aren't uniform. He doesn't always make a good speech. But he seldom, if ever, makes a dull one. (The nearest approach would be some of the many crusading sermons against Communism.) And thanks probably to his very wide general knowledge he has the happy faculty of being able to make an impromptu address which carries as much conviction as his prepared efforts.

The one widely recognized weakness of Mr. Drew as a leader has been his, to many people, unpalatable public personality. This caused him trouble in 1938 when he was running for the provincial party leadership. The opposition said he wouldn't be able to win the province. They said the same thing in 1942 at Winnipeg when considering him for the national leadership. Then it was that he couldn't successfully lead the party outside Ontario.

There is no doubt about the weakness. It is there. Though able to command strong admiration, Mr. Drew is also capable of attracting almost fanatical dislike. Whether you label it "snob" or "stuffed shirt", he has an air in public that won't go down with a lot of people. In 1938, when the labor vote in Ontario was becoming something of great importance it was said he was too typical of the type of thing to which it was opposed. In 1942 it was said he was too typical of what the Maritimes and the west so violently disliked about Ontario to be a national leader.

Mellowing the Weakness

There has been some mellowing in Mr. Drew since he took over office. This weakness in his personality has been the subject of much advice from his supporters and, one gathers, has caused the premier himself some concern. He has been making a conscious effort to unbend, and to be less stiff and haughty.

What success he has had, or will have in the future, is hard to estimate. There is something innate in him as a man which seems to predicate against him ever becoming a public good fellow. He definitely hasn't "the human touch". Even in private, though a good mixer and good companion, there is a reserve about him which is certainly not a good political asset. Some of his friends say it is a shyness. Others say that he is always so intent on the public affairs of the moment that he seldom has more than half-attention to give to incidental matters (there could be more than a grain of truth in this—he has terrific powers of concentration). But in any event on the record of the past five years in Ontario it seems quite probable that this weakness isn't any insuperable bar to his success.

Very little of Mr. Drew's success in the province can be accounted to his personal popularity. In 1943, it is generally conceded, he led his minority government into power on the strength of a protest vote against Hepburn and a good platform. In 1945, when he was returned in solid strength, rather than any personal plaudit the victory was taken as a vote of confidence in the administration he had given, together with a protest against the C.C.F. and the Gestapo scare that it dug up at the last minute.

The present vote will perhaps be a better test, because without any live issue it is centering more on the leadership of the premier personally, but from all indications he still is promised to be returned in good strength.

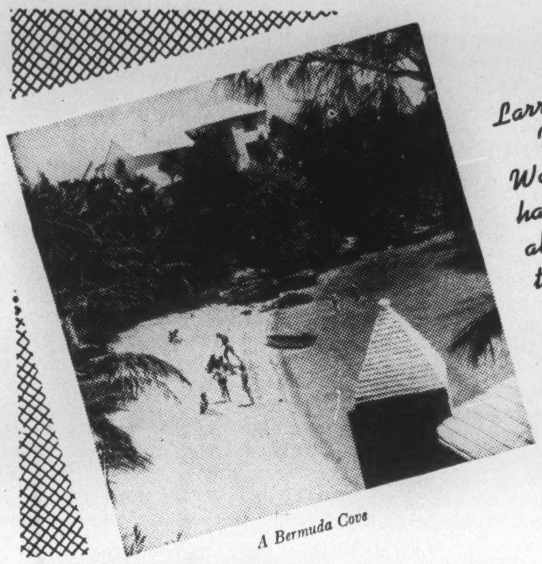
There is not any apparent reason why the same success couldn't be achieved in the national field, given of course any ground at all for a Conservative victory.

There seems little possibility that Mr. Drew will ever achieve the status of a national hero. But personal popularity has never been a necessary attribute of our political leaders. It is only in recent years that Mr. King has become mildly popular. R. B. Bennett certainly never attracted any great wealth of public affection.

It is important, however, that a leader is able to attract the confidence of the people. And Mr. Drew on his record in Ontario seems to have demonstrated that ability. There was a large group of people in this province opposed to him, probably just as violently as anyone in the Maritimes or the west. This group still exists. But he has nevertheless been successful, and in the process has managed to convert some of the group itself by gaining their confidence.

It was something that no other Conservative in Ontario showed signs of doing or probably could have done before 1943. If Mr. Bracken fails, there is every evidence that the national party will be in the same position next year or the year after.

And on his record it seems clear that Mr. Drew at least merits being given a chance.



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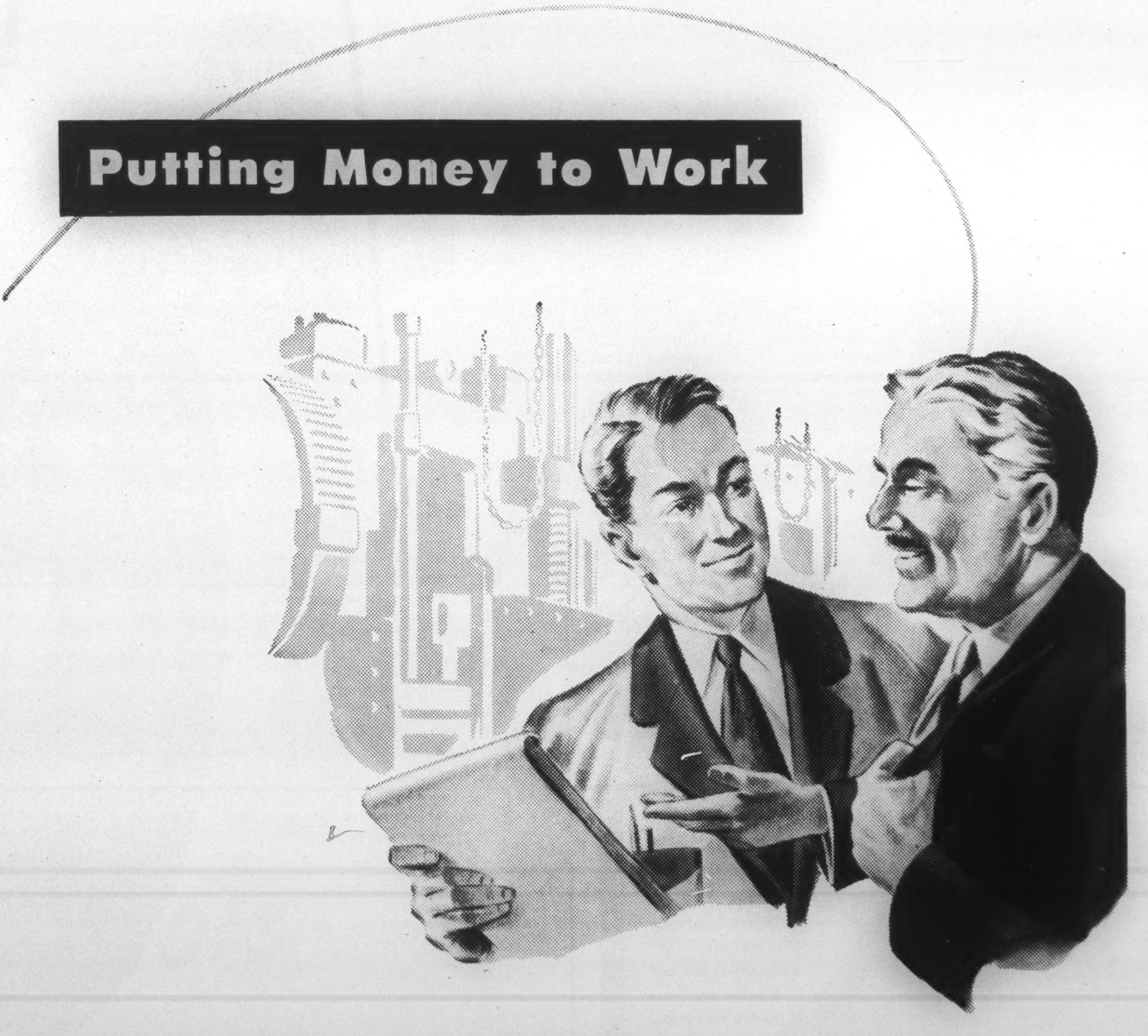

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OTTAWA LETTER

Abbott Budget Seen As Test Case Of Cyclical Budgeting Theory

By WILFRID EGGLESTON

Ottawa.

A CANADIAN budget-maker in these days of massive public spending carries a heavy responsibility on his shoulders. The policy he adopts affects for good or ill the national income, both the level it reaches, and the way it is distributed across the country. He must consider the effect of what he proposes to do on the critical reserves of foreign exchange. His alterations in the customs tariffs have international as well as domestic repercussions. His decisions about capital investment on public works and undertakings set up all sorts of far-reaching waves of economic and social consequences. His management of the national debt has a momentous long-run effect. He modifies the price level one way or another. And in a federation, in which the tax fields are shared between the national and the provincial governments, any "invasion" or withdrawal from shared fields sets up a series of nine different provincial situations as well as modifying the general climate of federal-provincial relations in the political sense.

The Abbott Budget of last week could be appraised from the purely economic and fiscal viewpoint, measuring it by the yardstick of its effect upon personal incomes, the trend of prices, the soundness or otherwise of its debt policy, and the consequences of its tariff changes. But this, if it went no further, would be an "ivory tower" kind of criticism. Political parties stay in power by winning friends and influencing voters. Most budgets have their narrowly political aspect—their party-political angle. Finance Ministers usually want to do the right thing by the country: and in this they are bolstered up by their "brains trust" of non-party departmental advisers. But as elected representatives, and as members of a government dependent upon popular support for re-election, they want at the same time to persuade the voters that they habitually introduce policies more beneficial to the masses of the people than any other political party would be likely to do. The perfect state of affairs for a party politician would be to be able to spend freely and reduce taxes, to provide extensive public works and pare down the national debt, to give all the consumers free trade, and protect all the producers against outside competition. No one has yet discovered how to do all these things simultaneously.

—Photo by Karsh

Glen Bannerman, Director of Exhibitions of the Department of Trade and Commerce, under whose supervision the first Canadian International Trade Fair is being held in Toronto.

Political Poison?

Mr. Abbott had to make some choices between these alternatives. At first glance his budget looks like a non-political budget. So far from it winning the Liberals any additional voters at the moment, it is being strongly suggested that it has damaged the party's chances in the three pending by-elections, and in a less direct way has impaired the standing of the provincial Liberal party in the four or five provinces holding general elections this year. The budget made very few concessions to popular demand. It could be contended that it takes exceptional restraint for a Finance Minister with a surplus of six hundred million dollars or more to refrain, in the name of economic righteousness, from becoming a Santa Claus and national good fellow by easing the present burden on the individual and on industry.

The notion that fiscal virtue triumphed over temptation and gave Mr. Abbott courage to "hold the line" in an unpopular but constructive policy has been dismissed with a cynical laugh in the ranks of the party opposition. If the Liberal party refrained from cooking up a highly palatable and popular Budget this year, the only possible reason—according to the political cynic—is that they don't plan to go to the people until the summer of 1949, and that by piling up prodigious surpluses now they will be in a strong position next year to lay on a display of political bribery which will be quite irresistible.

It is always possible, of course, that the simplest and most apparent explanation is close to the correct one; that the government drew up its budget policy in the light of what its non-party advisers pointed out would be the best gamble for the country at the moment in a highly uncertain world, and that narrowly party political amendments were, in this non-election year, of a very minor nature.

There will, of course, be widespread disappointment and even bitter criticism over the bleak and negative character of the budget from the point of view of the taxpayer. But no matter which one of several alternative policies any budget-maker finally decides to adopt, he may as well make up his mind that it is going to be thoroughly lambasted across the country by some section or other. And very properly so, so long as the criticism is fair and well-informed. Also, no matter which of several policies is finally adopted, it may be taken for granted that the government introducing such a budget is going to be well prepared in advance to defend it, or to offer plausible rationalizations on its behalf. Mr. Abbott's budget went into the world clothed with an ingenious cluster of well-argued justifications.

Ever since the theory of cyclical budgeting began to be advocated by fiscal students, there have been politicians and commentators to brush the idea aside as academic. While they would accept the common sense argument of using government taxing and spending to *counter-act* rather than to *accentuate* the violent swings of inflation and deflation which have become characteristic of the private business cycle, they have said it wouldn't work in practice. No difficulty about "deficit spending" in times of depression, because so long as a government could readily borrow the money, it could always be induced to make a good fellow of itself by spending, and creating jobs. The trouble was, according to the sceptics, that when times were good, and large surpluses were otherwise imminent, the wholesale clamor for a reduction in taxes would be such as no elected government could resist. No government, it was contended, in possession of a large surplus, could be expected to refrain from slashing taxes or increasing expenditure, or otherwise dissipating the surplus in some other way than paring down the national debt.

The Abbott budget of 1948 will stand out as an interesting test case for such a cynical theory. Of course it has been argued that the government should have cut its expenditures far more, and then it would have been able to do both, slash taxation and still have a substantial surplus to apply to the debt. So far I have not noticed these critics turning their guns on provincial-municipal budgets. The blunt fact is that while Dominion expenditure has been falling from a peak of $5,400 million to a little over $2,000 million, the expenditure of the provincial-municipal governments has meanwhile gone up from about $700 million to nearly $1,100 million. Provincial-municipal expenditures today are higher than the outlay of all governments in 1937.

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WASHINGTON LETTER

If Others Miss G.O.P. Nomination, Joe Martin Has a Chance for It

By JAY MILLER

Washington.

THERE'S a modest "Joe" in Congress who may yet outclass all the better-touted contenders for the Republican Presidential nomination. He's the Hon. Joseph William Martin, Jr., of Massachusetts, Speaker of the House through good times and bad for the G.O.P.

Actually he is heir apparent to the Presidency if Mr. Truman were to die in office. Although he knew it would place a Republican in the White House, President Truman fought for the succession law, put through by the present session of Congress, which places the Speaker right after the Vice President should anything untoward happen to the president. At the moment, the Vice Presidency is unoccupied.

To his constituents, Speaker Martin is "Joe" and to most people in Washington he is plain Joe Martin. It is testimony to his ability to make and keep friends, of whatever political persuasion.

Joe Martin's chances for the nomination rest on the possibility that none of the declared contenders will be able to get a majority vote of the 1,094 delegates, thus deadlocking the convention. Faithful Republican Joe Martin, known to be cool-headed and reliable,' is regarded by his supporters as the logical man to step into the breach and lead the party to victory at the polls in November.

Incidentally, Mr. Martin is ready for just such an eventuality. The Massachusetts delegation is going uninstructed to the convention. It will vote for Senator Saltonstall on the first ballot, but would be ready to shift to Martin if need be.

Mr. Martin has demonstrated two qualities which would be valuable to a president. He has proven that he can organize as well as lead. He has been able to get House Republicans to work in harmony with him and he has been able to muster Democratic votes when they were needed to overrule a Presidential veto. His supporters say he was able to pile up a notable legislative record in Congress, despite the delay caused by the La Follette-Monroney Congressional streamlining bill. Committee assignments had to be changed, Congress had virtually to be organized and reorganized, but before last summer's adjournment they claim an amazing amount had been done.

They point out that the Taft-Hartley bill was passed over a presidential veto. An income tax reduction bill, also killed by the President, was put through and served as the groundwork for tax reduction passed this year. The portal-to-portal pay bill was enacted.

It is not unusual for a Speaker of the House to be considered as a Presidential possibility, although only one Speaker was ever elected President. He was James K. Polk who took office in 1844.

Strategic Position

Mr. Martin is deemed to be in strategic position to get the nomination, should either Messrs. Stassen, Dewey, Taft and other aspirants fail to come through with the required majority.

He has seen the unexpected happen twice at Republican National Conventions. He was permanent chairman—a position he frequently holds—at the 1940 convention, when Wendell Willkie copped the prize. Four years later he was in the same post when Dewey captured it.

The Speaker lacks the colorful personality of some of the other contenders, but he has the invaluable qualities of friendship and sincerity. His ability to make friends, backed up by hard work, has enabled him to take the topmost job in the National Legislature.

He is of Scottish-Irish extraction, and has spent his life in North Attleboro, Mass., where he publishes the *Evening Chronicle*. He has a Horatio Alger background that would do him no harm in a campaign. He was the son of a village blacksmith. He sold newspapers when five. He owned and published a small-town newspaper at 24 years of age.

Politically, he need not doff his hat to any man. He knows politics from the ground up. He served in the House and Senate of Massachusetts in his early years. He was appointed national Republican House Leader in 1939 at a time when the party was in a minority. He held that post until he was appointed to the Speakership in 1947.

Joe Martin is like Senator Arthur Vandenberg of Michigan in that he has not announced his candidacy. It is entirely unlikely that he has not listened, and receptively, to the frequent references to his chances for the nomination. He is well known throughout the country. He has friends in every state, many acquired when he criss-crossed the country last year making speeches and personal appearances.

His strength or weakness as a possible nominee for the Presidency lies in his own record in Congress, just as the fate of the party hinges on what the G.O.P. did legislatively in House and Senate. When the Republicans took over, Speaker Martin and Senate Steering Chief Robert A. Taft, a very much announced candidate for the nomination, faced the necessity of "doing something" in Congress. Their supporters contend that they did a lot, but opponents, particularly labor critics of the Taft-Hartley bill, claim they did too much—of the wrong thing. The Republicans are banking on the general public's impatience with labor's arbitrary tactics to offset any votes lost on this score. Speaker Martin has had able assistance from Majority Leader Halleck and Majority Whip Arends.

Despite opposition from the President, Mr. Martin has been able to get Republican domestic legislation through his side of Congress. He has also built up a record of achievement on foreign policy matters. He lined up Republican support for the European Recovery Program. He backed up aid to Greece, Italy and Turkey.

What the G.O.P. tacticians must decide between now and convention time is what sort of a fight he would put up against the Democratic party and Harry Truman. Whatever the convention choice, party planners will want a man who can win an election.

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JUNE 7

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LIGHTER SIDE

Spring Examination

By MARY LOWREY ROSS

EXAMINER: I believe you are a member of Income Tax Payers, Class C, Mr. Candidate. Today we are conducting an oral examination on Finance Minister Abbott's Budget, popularly known as the Vinegar Budget. Have you studied this subject?

CANDIDATE: Extensively.

EXAMINER: And what is your conclusion?

CANDIDATE: I think Mr. Abbott got his schedule mixed. In his budget speech he said that he had prepared his budget against a rainy day. Apparently Mr. Abbott was getting a little behind himself.

EXAMINER: In what respect?

CANDIDATE: Budget Day *was* the rainy day.

EXAMINER: I'm afraid you are a very poor economist, Mr. Candidate. Mr. Abbott was able to save $670,000,000 on his budget. How much have you saved on yours?

CANDIDATE: I'm still trying to save $1.50 to get last year's shoes half-soled against a rainy day.

EXAMINER: Well, don't be discouraged. At least you had your amusement tax rebated. Have you investigated the clause concerning the amusement tax removal?

CANDIDATE: Thoroughly. As soon as I read about it I hurried right down to the early show of "I Remember Mama". As a matter of fact I got there just as the Federal Authorities were removing the tax.

EXAMINER: So you were in time?

CANDIDATE: Not quite. Just as I stepped up to buy my ticket the Provincial authorities slipped in ahead and slapped the amusement tax back on again.

EXAMINER: But surely you were gratified by the announcement that the sales tax was removed from canned, packaged, processed and otherwise prepared food?

CANDIDATE: Frankly, no.

EXAMINER: Why not?

CANDIDATE: Because any reduction in price resulting from the 8 per cent sales tax removal cannot become effective before the fall. In the meantime the manufacturers are uncertain whether the sales tax applies to cans, contents or labels.

EXAMINER: And what does this create?

CANDIDATE: A confusing situation which will take time to straighten out. This is only on the surface, however. Actually it would yield to a very simple solution. If the sales tax is on labels then the price of labels, due to higher operating costs can advance say 8 per cent. The same with cans and contents.

—Photo by National Film Board

R. H. Dayton, Administrator of the first Canadian International Trade Fair which now plays host in Toronto to the world's business men.

EXAMINER: What happens if it is discovered that the sales tax was spread evenly over cans, contents and labels?

CANDIDATE: The solution in that case will be even simpler. The cans can then be returned to the warehouse in expectation of a fall rise in price of roughly 8 per cent.

EXAMINER: I'm afraid you are taking a rather cynical point of view, Mr. Candidate. What did you expect from the Budget?

CANDIDATE: I had hoped for higher exemptions in lower income brackets.

EXAMINER: You mustn't be unreasonable. As it is, you have only to wait twenty-five or thirty years and if your income then is $1200 or less you will get your exemption. No need to rush.

CANDIDATE: I also hoped that Mr. Abbott would offer a slight decrease in personal income tax.

EXAMINER: And what did Mr. Abbott point out?

CANDIDATE: That this would only lead to wild spending and inflation.

EXAMINER: What do you expect to save a year by the removal of sales tax on breakfast foods, vegetable juices, lard, vermicelli, pickles, relishes and catsup?

CANDIDATE: A dollar and sixty-seven cents. That is, if it isn't absorbed by industry before reaching the consumer level.

EXAMINER: Well, isn't $1.67 enough to play around with, without going from store to store spreading inflation?

CANDIDATE (turning out his pockets): Do I look—

EXAMINER (hastily): What other benefits had you hoped for from the Abbott Budget?

CANDIDATE: I hoped Mr. Abbott would relax the austerity program just enough to let American tomatoes into the country.

EXAMINER: What would be the effect of such a relaxation on the current American dollar shortage?

CANDIDATE: I wouldn't know about that. All I know is it hurts like hell that I can't even have a tomato sandwich going to bed when the people in the country next door have so many tomatoes that they use them to throw at the supporters of Henry Wallace.

EXAMINER: You'll get your tomatoes. And your decrease in income tax and higher exemption too.

CANDIDATE: When?

EXAMINER: I'm asking the questions round here. All you need to remember is that the taxpayer never is but always to be blessed. Now, Mr. Candidate, I have a statement here made by a member of the Liberal government—"This is the bravest budget ever brought down." Please discuss.

CANDIDATE: "Brave" isn't the word I would have used.

EXAMINER: What word did you have in mind?

CANDIDATE (hesitating): How about monstrous, iniquitous, brutal, unfeeling or infamous?

EXAMINER: I feel you are going much too far.

CANDIDATE: Could we settle for just plain greedy?

EXAMINER: Greedy is hardly the word for a government that has just offered you a 25 per cent rebate on silver-plated flatware. How did you feel about that?

CANDIDATE: Flat.

EXAMINER: And the promised 25 per cent rebate on alarm clocks?

CANDIDATE: Alarmed.

EXAMINER: What alarms you?

CANDIDATE: The thought of inflation. Supposing the manufacturers of alarm clocks discovered that by an uncanny coincidence the cost of chromium, nickel, wheels, cogs, bells and luminous minute hands had risen exactly twenty-five per cent? Add to that the increase in price which the 21 per cent rise in transportation costs passes on to the customer, and you get inflation.

EXAMINER: You are being unduly uneasy, Mr. Candidate. There is nothing to warrant such an increase.

CANDIDATE: Nothing to prevent it either.

EXAMINER: Have you tried buying an alarm clock?

CANDIDATE: I have an alarm clock. I use it to get up early in the morning.

EXAMINER: Why do you need to get up early in the morning?

CANDIDATE: In order to make twenty-five million dollars.

EXAMINER: And what will you do with twenty-five million dollars?

CANDIDATE: Leave it to endow a home for indigent Income Tax Payers, tax and succession duty free, ha, ha, ha!

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SCIENCE FRONT

Traces of Lost Atherian Race, Dwellers of Once Lush Sahara

By JOHN J. O'NEILL

New York.

THERE is a tradition in Mediterranean countries that at one time there were two giant rocky promontories at the Strait of Gibraltar—one of them on the African side to match the Rock of Gibraltar on the Spanish side. They were called the Pillars of Hercules. What became of the second promontory, if there ever was one, is very much of a mystery. Plato records the legend of a great land area in the Atlantic that sank beneath the waves.

Peabody Museum, at Harvard, has just received from Tangier, on the African side of the Straits, archeological evidence from an expedition exploring that area which indicates that this region of Africa has been geologically very active in recent times, as geologists measure time.

Shorelines forty feet and sixty feet higher than the present beaches have been discovered, with evidence that what is now the dry Sahara Desert was once covered with lush vegetation and that the area was inhabited by giraffes, hippopotami, rhinoceros and elephants—animals that now live only in the southern half of the continent. These are evidence that tremendous changes have taken place there, and they are believed to have occurred during the recent ice age.

Relics of early man in this area were collected by an expedition under the charge of Dr. Hugh Hencken, director of the American School of Prehistoric Research, which took over the work begun in 1934 by Dr. Ralph Nahon, of New York, and Hooker Doolittle, United States Consul at Tangier. This expedition was sponsored by Peabody Museum in 1939 when Dr. Carleton S. Coon, professor of anthropology at Harvard, took part in the excavations. Grants from the Viking Fund, Inc., of New York, the American Philosophical Society, Philadelphia, and the American School of Prehistoric Research financed the investigations.

This region is of importance to anthropologists because it is believed to have been one of the routes by which ancient peoples, coming from the Near East across Africa, had moved into Europe. Stone cleavers and stone hand axes found in the gravel beds of streams and believed to have been used by Neanderthal men are among the artifacts which Dr. Hencken has sent to Harvard.

The stream bed is now dry, but it was once occupied by a stream which emptied into the Atlantic when the ocean was sixty feet higher than at present, Dr. Hencken reports. Farther west near the borders of Morocco stone tools made of chips of flint were found in a similar location in a stream bed that once carried a stream that flowed into the ocean when it was forty feet higher than at present.

150,000 Years Ago

The first group of relics are dated 150,000, and the latter 100,000 years ago, which was believed to have been a warm period during which the ice sheet over northern Europe melted for a while to be followed by a re-freezing.

When a change in the level of shorelines is discovered, there is always the problem of determining whether this was caused by the ocean rising or the land rising. Local lifting of the land is the usual first explanation because it involves fewer problems than a rise of the ocean, which would have to be worldwide. The entire Mediterranean region has been very restless even in modern times. The region between Sicily and Africa is sinking, likewise the delta of the Nile. Eastern Africa is marked from end to end by a rift valley, indicating a tremendous split in the land extending up into Asia. An extension of that in early Biblical times is believed to have brought about the formation of the Dead Sea and the Jordan Valley.

Dr. Hencken reported finding of caves in the Cape Ashakar region which were occupied 75,000 years ago when the ice started its final advance in Europe and were used almost continuously down to 1,500 years ago by a people called the Atherians who made better flint spear and arrow heads than their predecessors. The bones of the animals they hunted have been found, which gives a clue to the climatic conditions. The presence of the ice in Europe, Dr. Hencken reported, gave this region a cooler and more moist climate which permitted the growth of a lush vegetation in what is now the sterile desert and permitted the elephants and other giant mammals to occupy the region.

Teeth and a human upper jaw found in one of the caves have been identified as belonging to a Neanderthal man, Dr. Hencken reported. This is the second find of Neanderthal relics in Africa.

The Neanderthal man disappeared and a new type occupied the caves 5,000 or 6,000 years ago. The new settlers came from the East, probably from Egypt. They were not hunters but brought with them sheep, goats and pigs which they kept in herds. They possessed, too, the art of making pottery. They are believed to be the ancestors of the Berbers who live in the Atlas Mountains and other parts of northern Africa today.

There is much uncertainty concerning the timing of the ice age and there is a probability that the present long-time scale of the geologists may be considerably shortened.

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Interior is beautifully upholstered in your choice of three materials, which are richly set off with trim features. Arm rests, door hardware and floor coverings all combine to form harmonious interiors. The instrument panel is a good example of modern functional design—it has the instruments all grouped around the speedometer and directly in front of the driver.

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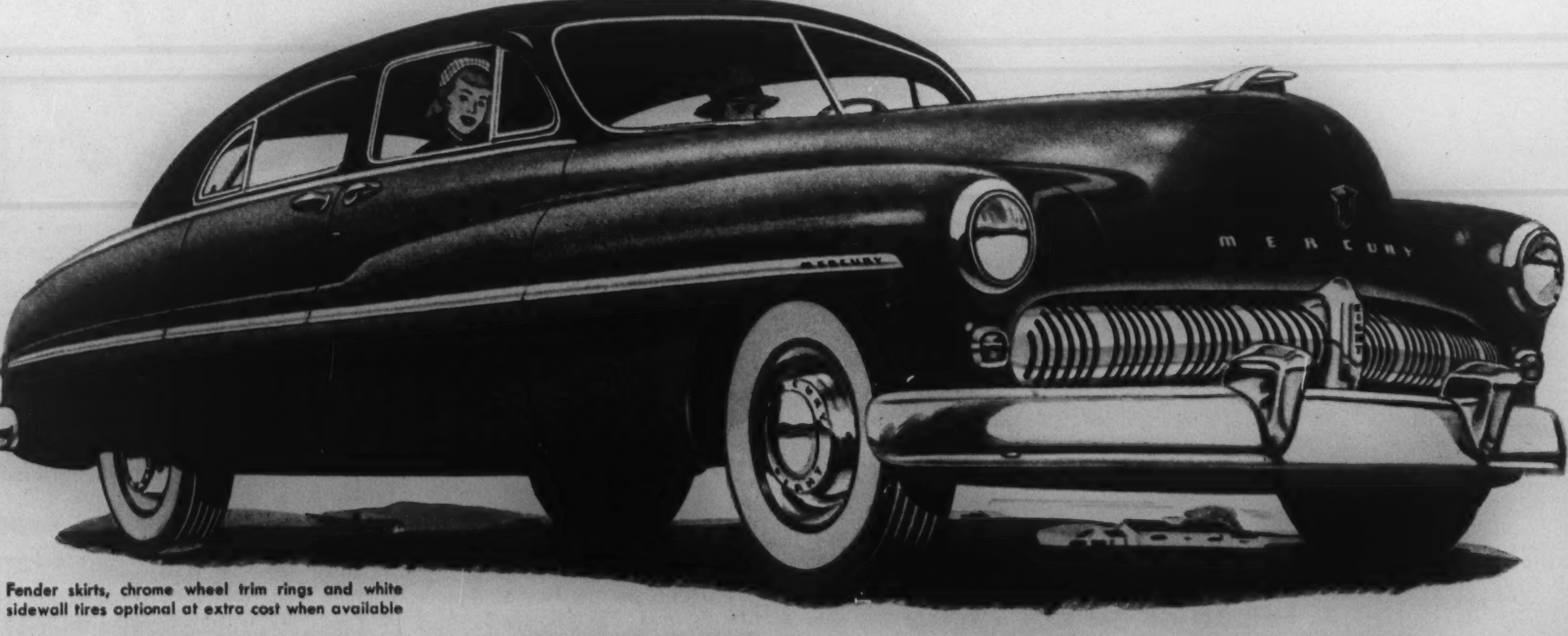

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THE WORLD TODAY

Confusion Over State Of Israel; Borders To Be Set By War?

By WILLSON WOODSIDE

THE moral, political and military issues in Palestine must by now present an almost impenetrable smoke-screen to the general reader. Let us see if they cannot be clarified somewhat.

First, one must reconsider briefly how the United Nations came to make such a "mess" of the solution which it attempted.

The first step in this mishandling was the failure of the U. N.'s investigating commission to agree on a solution. The majority favored partition; but a minority stood firmly against it. The partition map alone, dividing each of the proposed new states in Palestine into three pieces, should have been enough to discredit such a plan, which presumed that people who could by no means live together politically could nevertheless live together in everyday economic co-operation.

The second and most preposterous U. N. move was the voting of partition without any provision whatsoever for enforcement, in defiance of all the experience of the mandatory, partly because of Zionist propaganda that the British had never been sincere in seeking a solution, that the Arabs were only bluffing in their opposition, and that anyway the Haganah could take care of them.

Almost all serious American correspondents whose reports come to my attention testify that this plan for partition without enforcement was only put through over the warnings of many delegations, by the intensive lobbying of the Americans.

Once partition was voted, the mishandling was due as much to the limitations of the U. N. Charter as to the indecision of American policy. It is vital to realize that the U. N. Assembly can only recommend, and that far from having made a "decision" on the Palestine question which had the binding force of law on its members, it had made only a *recommendation* which could be implemented by the voluntary action of the members—and the Arab states refused to do this—or enforced by the Security Council.

Yet when the Security Council was called together to take up the growing warfare which the partition recommendation had unleashed in Palestine, the American delegation suddenly declared that the Council would be acting outside the charter if it used its power to enforce partition. It could only use force, they claimed, to deal with a threat to international peace, and to check this threat.

What was going on at that time, the American claim implied, was only a "disturbance" or civil war, inside a territory which had no sovereignty and which was not even under the direct authority of the United Nations, as the League mandate had never been turned into a U. N. trusteeship.

U.N. Had Not Taken Over

This had not been done because Britain, who could have done it by submitting a trusteeship agreement to the Trusteeship Council, did not want to continue to bear the thankless burden by herself, the United States would not share trusteeship under the Anglo-American Commission Plan—the most promising one offered so far—and the Jews and Arabs wouldn't agree to a continuing trusteeship, both demanding immediate independence.

When the mandate expired on Saturday, May 15, the last legal opportunity of turning Palestine into a U. N. trusteeship passed. Indeed, Arab speakers maintained a filibuster in the U. N. Assembly that day until 6.01 p.m. (one minute past midnight in Palestine) and celebrated when the mandate expired without trusteeship being established.

The situation in Palestine at this moment was that no state existed there, no other country held authority over the territory, and the U. N. held no trusteeship. It was a political vacuum. In this vacuum the Zionists erected a state of their own. It is a state mainly because they say it is and are willing to fight for it. No one else has set it up.

Israel's new foreign minister, Moshe Shertok, says that the U. N. "decision" of last November 29 "conferred statehood on the Jews and Arabs of Palestine and gave them rights which they cannot be forced to renounce." There appears to be little legal basis for this assertion. As I have shown, the U. N. never held Palestine under its trusteeship authority, the Assembly did not make a decision or an award but only a recommendation, and the Americans have declared that the Security Council had not the right to enforce partition.

What the Assembly's recommendation really did was to provide an impetus which could not be, or was not, checked, an impetus which produced a Jewish state on May 16.

What Is State of Israel?

So the Zionists say they have a state. No one gave them this territory. If anyone could do that, it would have to be the Arabs who had lived there two thousand years before the Zionists came, and they certainly have not done so. Of course, the Zionists claim that the country is theirs because their ancestors occupied it long ago, and that they have bought the land they till in Palestine (a very small fraction of the area they claim for their state) from the Arab inhabitants, often at exorbitant prices.

But owning land is not the same thing as controlling a country. Jews own a great deal of property within the boundary of New York City, and through immigration now constitute one-third of the city's population. But any claim that, on this account, they were entitled to take over full political control of, say, the Bronx and Brooklyn, two out of the five boroughs, would not get very far. Yet by their act of proclaiming the State of Israel, the Zionists claim the right to rule over 397,000 Arabs who live within the borders of their state (as against 538,000 Jews; another 100,000 Jews live in Jerusalem, along with 105,000 Arabs, but this was to be put under an international regime).

"Within the borders of Israel"—but what and where are the borders of Israel? Its foreign minister, speaking before the U. N. Assembly on April 27, declared that "the Jews will accept nothing less than the area decided upon by the Assembly." Yet in the proclamation of the Jewish State of Israel (New York *Times*, May 15) there is no mention of its borders.

If these borders are those of the U. N. Palestine partition plan, then the Jews are aggressors against the Arab State of Palestine, by seizing Jaffa and Acre. But no one has declared an Arab State of Palestine. So against what, or whom, are the Jews aggressors? At least, it might be said, they are aggressors, equally with the Transjordanians, against the international trusteeship of Jerusalem, in trying to seize that city. But no one has set up the international trusteeship of Jerusalem.

Ah, but—and here we are coming to something — the Arab League states *are* committing aggression when they attack and invade the new State of Israel, recognized by the U. S., the Soviet blóc and three small U. N. members. That is properly covered by the U. N. Charter, the United States delegates now say, and on that the U. N. should act with full threat of economic and military sanctions—a threat which it has not used to defend Iran, Greece, Korea or Czechoslovakia.

Forty-eight out of fifty-eight U. N. members have not recognized that there is a State of Israel, however. So how can they declare anyone to be an aggressor against it? This is the stand which the British take in maintaining their alliances with Transjordan, Iraq and Egypt.

Now let us leave the sophistry. It is obviously out of practical things that the State of Israel has been created—the very practical act of the Zionists in declaring it a state—and will be sustained and established. It is not at all sure that by the time this process of defending and establishing has run its course the boundaries of Israel will be as recom-

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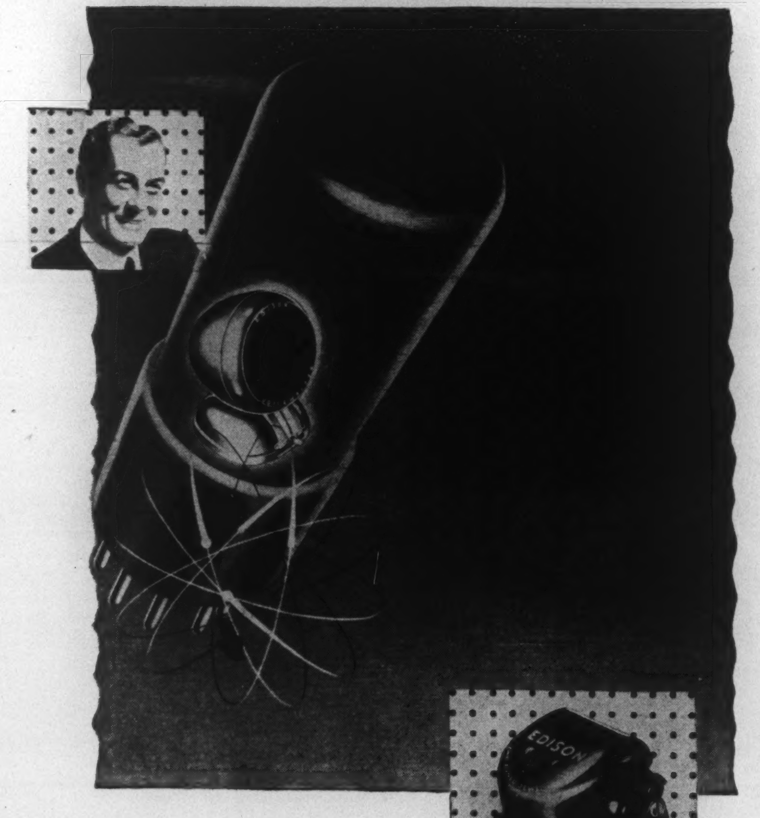

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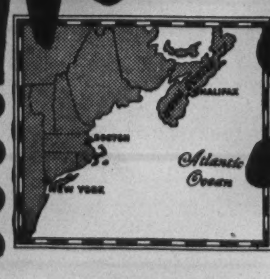

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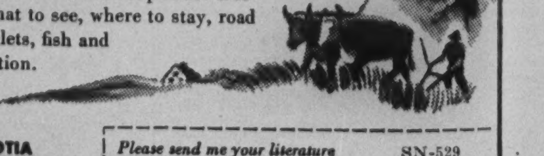

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mended in the U. N. partition plan.

What about, for example, those Arab cities of Jaffa and Acre? Their Arab inhabitants have fled; will they ever come back? Will not these quarters be used to house the new Jewish immigration, which is to come in at a planned rate of 125,000 a year, up to a total of a million—according to the new Israeli Minister of Immigration? In the course of the war will not the Zionists have to defend a much more compact and practical boundary line than that of the three-piece U. N. patchwork? And will not the area which they successfully defend become their state?

What They Can Hold

It is such simple life-and-death demands of strategy which justify their seizure of Arab Jaffa, cheek-by-jowl with their capital Tel-Aviv; and Arab Acre, just across the bay from their chief port of Haifa. It is the protection of their 100,000 fellow-Jews, and the denial to the Arab League of its only solid and practical base of operations against the heart of their state which governs their effort to seize control of Jerusalem—which, besides, is Zion itself.

Following this same line of practical development, the seizure by the Egyptions of the whole southern area of the Negeb (very sparsely populated, though almost wholly by Arab bedouins, but allotted to the Jewish state under the U. N. plan to provide room for immigration), and seizure by the Syrians and Transjordanians of Jewish-assigned areas in the north-east, could become justification for Jewish seizure of Arab areas in Central Palestine.

Plainly put, what the Zionists can hold and defend in Palestine will become their new state. Their state has a name and a provisional government. It has not yet a territory.

I think this clarifies to a great extent the intensity of the Arab resistance. We have passed beyond the stage where they were forced, by the power of the mandatory, to accept Jewish immigrants as residents of Palestine. Now they are to be forced, by the power of Jewish arms, to accept the alienation of a piece of territory which has been Arab-inhabited for two thousand years, and to allow 400,000 of their people to pass under Jewish rule.

The Zionist may feel that he is "going home" to Palestine, to which he has maintained his attachment through 60 generations, in one of the most remarkable exhibitions of tenacity in human history. But to the Arab he is quite simply an invader, come to seize Arab land.

It is important for us to realize the depth and certainty of the Arab's feelings about this. And it will help also to realize that the Revisionist Party in Palestine, with its military arm Irgun Zvai Leumi, have long claimed all of Transjordan as well as Palestine for the Jewish state, while even the more moderate Zionist Organization of America claimed under the Biltmore Program of May 1942, a Jewish Commonwealth established in the whole of Palestine.

The Arabs will note the significance of the fact that the relatively moderate new Jewish Government of Israel does not lay down its frontiers in the proclamation of its existence. Could it, in face of the demands and aspirations of its youthful fighters, and especially of its extremists, accept the U. N. plan borders, renouncing the city of Zion and the rest of Palestine, not to speak of Transjordan?

I have on my desk before me a pamphlet handed out at the U. N. only a few months ago by a "progressive" American Zionist organization which demands: "Open the gates of Palestine! In one year the provisional government of the Jewish Republic will bring to Palestine one million of our people, and will lay the foundation for millions more to return to the Homeland in the years to come!" Arabs can read too. They know that these millions cannot be accommodated within the partitioned area assigned to the Zionists under the U. N. plan. They have heard the talk and read the pamphlets about accepting this partitioned area as a "bridgehead" for future expansion.

If U.S. Arms Israel

My reason for putting the case in these plain terms is so that we will understand the Arab position, and not underestimate the probability that the Arab world will maintain the fight against what it terms an invader, will never accept the stigma of being an "aggressor" itself, in trying to defend Arab lands, and will answer with bitter and enduring hostility any action by the United States to send arms to the Jewish state and thus effectively back it against the Arab world.

Anyone who wishes to confirm this on far greater authority than mine should read the fascinating and authentic description of the Arab world as it really is today, and not as it is fancied from movies or romantic travelogues, given in Freya Stark's account of her wartime work and travels in the Middle East, "East is West" (Musson, $4.00), reviewed here some time ago.

Certainly it is one possible policy for the Americans to back the State of Israel to the hilt with arms and diplomacy. *If followed through consistently*, it is entirely possible that the Zionists could conquer and hold most of Palestine and Transjordan and build up a strong, and for the near future, unassailable modern industrial state there.

But such a policy would speed the consolidation and modernization of the Arab world as nothing else could do. It would assure the hostility of this world towards the United States, (and its oil concessions in the Middle East). It would drive a rankling wedge between the Americans and the British, who have a deeper understanding of the Middle East and a natural affinity to the independent-minded Arab, and resent the accusations and the terroristic attacks which the Zionists have turned against them, the architects and protectors of the National Home.

The Jewish state, too, would lose its natural market in the Arab world. It would find it very difficult to make its economy, always heavily subsidized by Zionists abroad, a self-sustaining one. Established by force, this state can only be maintained by force, against the will of the Arabs who border it on three sides and will always greatly outnumber it.

How it is possible to return to cooperation, the only basis on which the two peoples can live together in peace, and one which could have been so fruitful to both, is not so easy to see any more. The tragedy is that, at a time when more and more people are seeing that only wider unity and cooperation can save civilization, both of these peoples who had so little of the virus of nationalism in them have been infected with its most extreme and exclusive form.

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Do Electors Still Like His Gags and Party?

By WALLACE HUNT

T. C. Douglas, C.C.F. Premier of Saskatchewan, probably faces an election this year, and win or lose one thing certain is that he'll give the electors some good laughs. He's a humorist and debater with few equals in Canadian politics, and some of his unusual tub-thumping methods are outlined in this sketch of the Dominion's only socialist premier.

PERIODICALLY in Canada a meeting of business and professional men, most of whom have little in common with socialism, is entertained by a pint-sized socialist premier from the west whose wit, if not his political preachings, they find as refreshing as a spring breeze.

Tommy Douglas of Saskatchewan gives his humor not only the slapstick touch of Bob Hope but that subtle twist which can stir even the intellectual heavyweight. I saw him in action in Toronto recently and witnessed the strange spectacle of a whole squad of that hard-boiled breed, the newspaper reporter, repeatedly erupting with explosive laughter because of the verbal antics of this one-time Baptist minister. That's something I've never before witnessed in 15 years of newspaper work, and if laughs win votes Mr. Douglas can face his electors this year or next without fear.

I knew Tommy Douglas from earlier contacts in Regina and I'd seen him in action at prairie meetings, at which he'd also dispensed laughs quite liberally. But I had thought that these were something he reserved for his own private political preserve of Saskatchewan. To the contrary, I believe that Toronto has seen him at his best because as he matures, his humor like good cheese improves. Yet he is, by parliamentary yardsticks, still only a youngster, though a veteran of 13 years in politics. He was a federal member for nine of them until he resigned to fight for and win the Saskatchewan premiership four years ago. By any standard of measure, at 43 he's still only barely in his prime, and he unquestionably will, as one of the country's top humorists, continue to entertain Canadians for many years to come.

Political Climates

Through a slip-up in arrangements he was called on to face within one week quite an oratorical trial in Toronto recently — two luncheon speeches at the Canadian and Empire Clubs. The first was ably delivered and well received. He possibly was a little subdued when facing the discriminating audience of Toronto's Empire Club at noon a few days later. But he felt no such bridling influence when, during the evening of the same day, he was invited to invade the precincts of Premier Drew's own riding of High Park to address a C.C.F. nomination meeting. In this political climate he was completely at ease and uninhibited.

PREMIER T. C. DOUGLAS

It was an opportune time to speak about the accomplishments of his government. But his principal, hour-long remarks were prefaced with at least half an hour of pure, unadulterated wise-cracking about anything at all and nothing in particular. It demonstrated that he's as adroit with his tongue as he must have been with his fists when he captured Manitoba's lightweight boxing crown about 23 years ago.

He cited the highway accident legislation under which Saskatchewan pays a $10,000 death benefit to dependents of a person killed by a vehicle. To emphasize, he cracked: "I'm careful now out walking with my wife when a truck goes by!" It falls pretty flat in type but with the Tommy Douglas inflection it makes quite a hit and few of his listeners will easily forget about the accident legislation. Speaking of his government's health legislation, he recalled a visit to a provincial mental hospital shortly after assuming the premiership. He told of a patient stopping him and asking: "What do you do?" "I'm the premier of Saskatchewan," he replied.

"You'll get over that. I was Napoleon when I came in here," said the patient.

Ever-Ready Wit

That one is not any too fresh, has been used at prior meetings and is incorporated in the "obit" assembled by Canadian Press on the man who once was a printer's devil in Winnipeg, for which he still holds a union card. But he doesn't need any gag writers, because he spaces and places his stories so that only the dictionary mind would recall them. The premier's wit never has been known to desert him. Speaking at a Dominion-provincial conference he attacked succession duties as a tax field valueless to his province because, he cracked, "wealthy people don't die in Saskatchewan, unless they're taken by surprise. They prefer to die in the salubrious climate of B.C. or in the atmosphere of dull respectability they find in Ontario."

No one can express the views of Tommy Douglas better than Tommy Douglas. He sees the King government as "the choreboy of the vested interests." To critics of Saskatchewan's increased expenditures, up

the easy way
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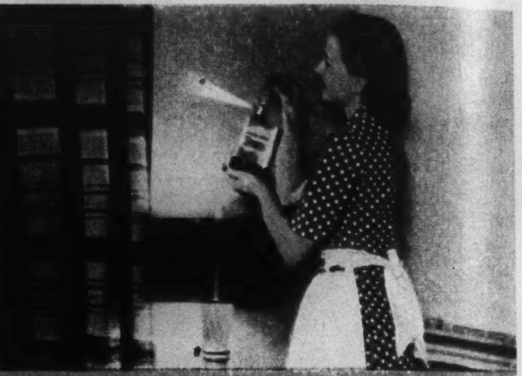

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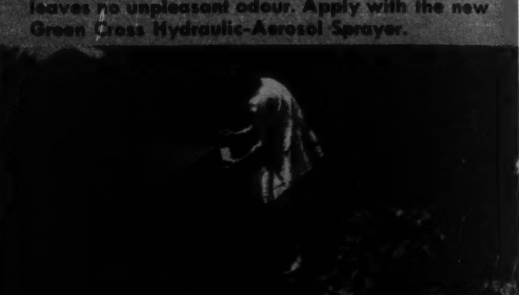

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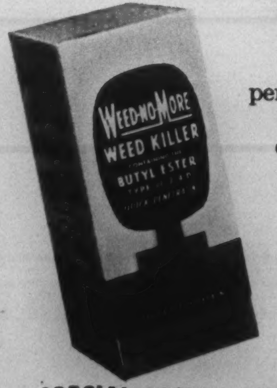

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from $30,000,000 to $46,000,000 a year since his government took office, he jauntily replies: "It takes more money to run a boat that's going some place than one that's tied to the dock!"

As a member of the House of Commons from 1935 to 1944 he was both feared and admired as a debater, and it remained for one of his opponents, a Progressive Conservative member, to pay him the highest compliment, that of being "the best debater in the House."

Freshman Year Bout

Many members will agree that he deservedly won that title in his freshman year in the House in a clash with no less astute a debater than agriculture minister James Gardiner, one who sometimes also has been accepted as the House's quickest mind in a sizzling debate. Douglas, usually the opposition of the time's most severe agricultural critic, was enthusiastically blasting Mr. Gardiner's department when interrupted by a question from the minister: "What do you know about farming? You're not a farmer."

Right back across the floor, the young C.C.F. member shot an answer which has now become a familiar wisecrack. "No," he said, "I never laid an egg either but I know more about an omelette than the hen that laid the egg!"

Critical of Canada's daily press, for erecting—to use his own words—"an iron curtain of misinformation" around Saskatchewan, Douglas is smart enough not to let this influence dealings with individual reporters. He accepts and trusts them as friends until one proves otherwise, and within five minutes of an introduction a representative of even so pro-Drew a newspaper as the Toronto *Globe and Mail* calls him "Tommy".

His intimacy with the press is noticeably similar to that of the federal Health and Welfare Minister, Hon. Paul Martin. Scanning the Douglas "Who's Who" summary, one finds that these men were two of the three Canadian delegates to the youth conference of the League of Nations in 1936.

Love of an Audience

Tommy Douglas looks like a school teacher and maybe it's just as well for the educational advancement of some classroom that he's not, because with his love of an audience and the opportunity on the platform for verbal kibitzing, there would be little chance for study under his tutelage. His best work, outside of public speaking, is probably accomplished in the privacy of his office. Platforms can be so distracting.

He once had an opportunity for a $7,000 a year professorship at the University of Chicago, after he had lectured there during the summer of 1938 on social ethics and international affairs. But he chose to remain with the fledgling C.C.F. party, whose "birth certificate," the Regina manifesto of 1933 he had, as a delegate, a share in drafting.

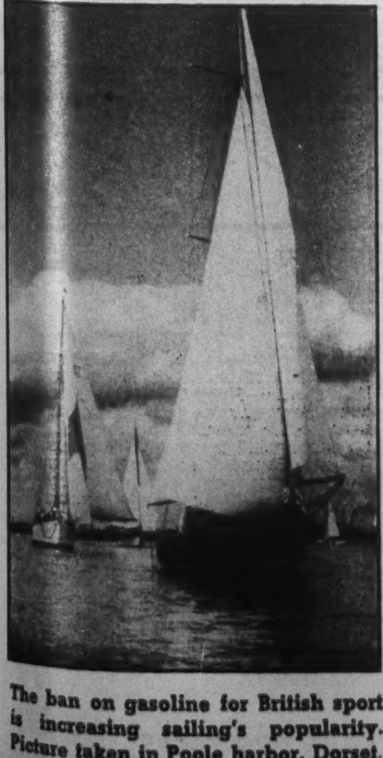
He was minister at Calvary Baptist Church in Weyburn, Sask., in the early 1930's when he organized the Independent Labor Association, about the same time as a similar body was formed in Rosetown by M. J. Coldwell, now national C.C.F. leader. These two groups amalgamated into the Saskatchewan Independent Labor party which later joined with the United Farmers to form the Farmer-Labor party, which in turn later changed its name to the C.C.F.

Douglas met defeat in his first try, as a Farmer-Labor candidate for the Saskatchewan legislature in 1934. But after congratulating the winner, Liberal H. E. Eaglesham, he made the typical remark: "Just as the whale said when he swallowed Jonah, you can't keep a good man down." So a year later he moved on up—as C.C.F. now—to win in the federal field and has not tasted defeat since.

Debating and Preaching

His flair for debating developed at Brandon College, which he entered in 1924 after deciding to give up printing for preaching. He helped pay his way with preaching assignments in rural Manitoba. About the same time as he got his first charge, at Weyburn in 1930, he debated on the only Canadian team to defeat British Empire teams.

His interest in politics suddenly blossomed while studying sociology for a Ph.D. at McMaster University. Previously he'd written a thesis on mental hygiene and public health for his M.A. A thesis on "the subnormal family" which took him to Chicago and brought him into close contact with undernourished workers gave him the clue as to the way in which he would direct his political labors . . . toward improving the lot of such people.



The ban on gasoline for British sport is increasing sailing's popularity. Picture taken in Poole harbor, Dorset.

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With eye analytical,
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My thought parenthetical.

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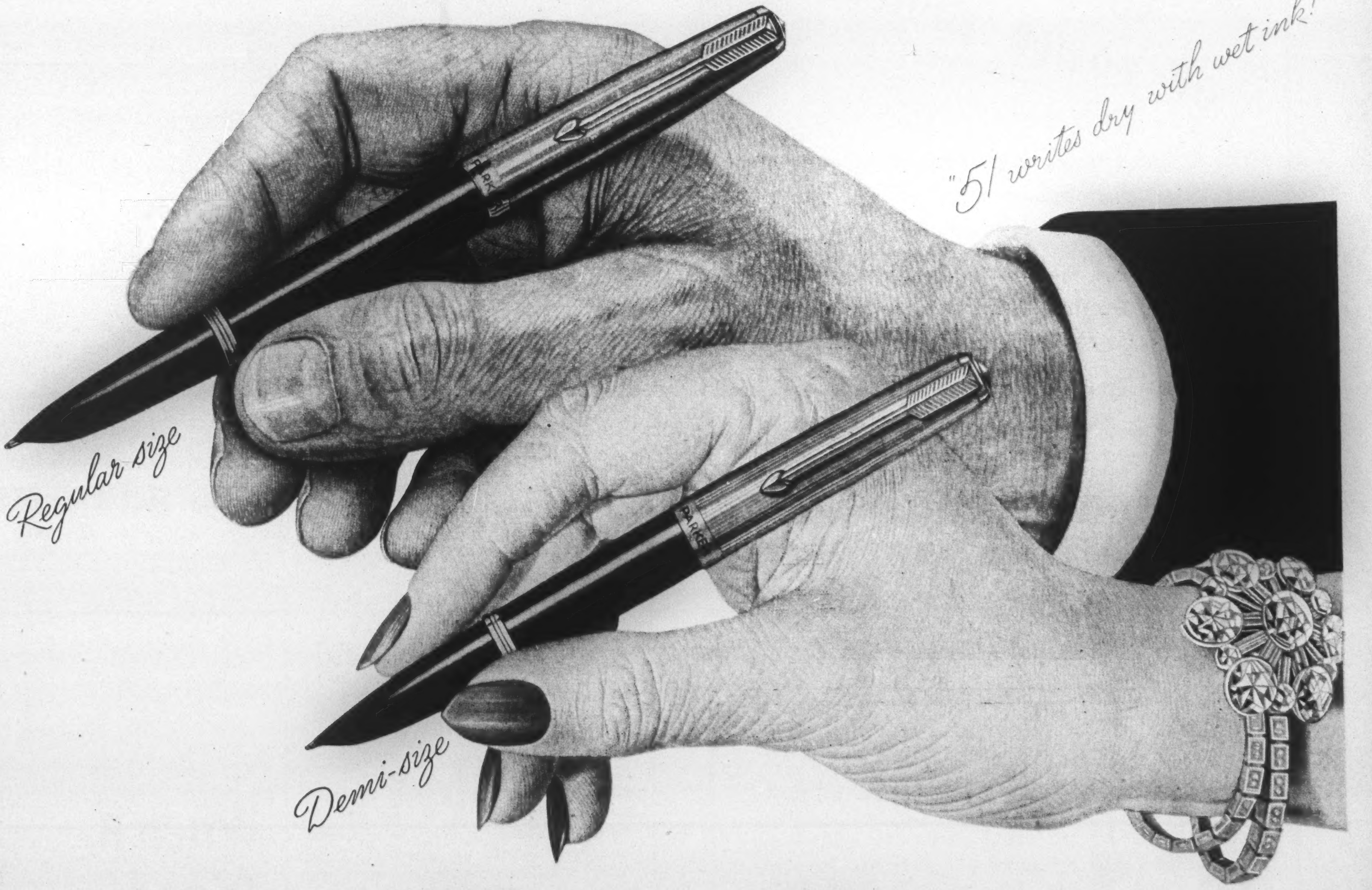

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THE BOOKSHELF

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Postwar Piracy Just The Thing To Forget Postwar Problems

GALE WARNING—by Hammond Innes —*Collins*—$2.75.

EVERY now and then, at fairly rare intervals, there appears a simple book which is wholly satisfying in both its aim and achievement. "Gale Warning" is such a book. It is basically a good yarn and the fact that it is imaginatively constructed and well written is in pleasing contrast to many "popular" novels. It investigates neither sloppy sex nor sloppier psychology; in fact it leans somewhat backward in its sparse characterization as contrasted with the pace of the narrative. Men will like it very much but that will not prevent women from reading it.

Here is the beginning of the book and the skeleton of the tale. It starts with a brief notice in a British trade paper:

"The S.S. *Trikkala*, a freighter of 5,000 tons, was mined and sunk on 5th March, 1945, with the loss of twenty-three lives. She was in convoy and her position at the time of the sinking was approximately 300 miles northwest of Tromso.

"Yet, on the 16th of May, 1946—just over a year later—the Naval W/T station near Oban picked up an SOS from a vessel describing herself as the *Trikkala*. Shortly afterward, this vessel radioed information that left no doubt as to her identity. It was the *Trikkala*. In view of the importance of her cargo, an Admiralty tug was sent out to bring her in, and for two days there was hardly a person in the country who was not speculating on the mystery of her dramatic reappearance.

"I was one of the survivors of the sinking in March, 1945. And it was I who sent out the SOS from the *Trikkala* in May, 1946. Accordingly, I have set out here the full story as I saw it, beginning from the night before she sailed from Murmansk."

When the ship sailed she carried not only a small guard of three British soldiers, mounted over a special bit of the cargo, but her skipper and part of the crew were veterans of adventurous and unlawful days in the China seas. Presently the soldiers discover not only that the special cargo is silver bullion but that the Captain and his accomplices had made an elaborate plan to simulate a war-time sinking and to beach the ship on an inaccessible northern island. How this evil plan was accomplished—with the loss of twenty-three innocent lives—and how the evil was finally frustrated just after war's end by three survivors is the gripping adventure which Hammond Innes tells. It is, in a minor way, a seafaring epic.

Triumphant Trio

Corporal Vardy, the O.C.T.U. candidate, the cheerful cockney gunner Cook and the Scots girl from near Oban are the trio who triumph over the Shakespeare-quoting Captain and his assorted accomplices and in so doing they manage to cover quite a bit of the English countryside. For this, as for the sea, Innes has a very fine feeling; he can paint in the atmosphere of such separated places as Falmouth, Dartmoor, London, Dunstaffnage Castle and the Western Isles and Canadians who know these places will realize the vividness of his reporting. At the same time he is a master of incident and circumstance. There is a court-martial episode which will delight equally the followers of civilian court-room technique and military technicians; lovers of small ships and larger ones will also sense his feeling of being at home.

Plot is tightly woven and all the pieces are neatly tied together. The story moves without effort and without lameness; the fact that it was serialized in a U.S. magazine as "Maddon's Rock" is, for all its English background, a tribute to those who selected it. "Gale Warning" is not, nor is it intended to be, a literary masterpiece. It is just one of the best adventure stories to be published in some time. More Hammond Innes will be exceedingly welcome.

Spoiled By Haste

By B. K. SANDWELL

COMMUNISM AND THE CONSCIENCE OF THE WEST—by Fulton J. Sheen —*McClelland & Stewart*—$3.00.

THIS is one of the most annoying books we have lately seen. Mgr. Sheen is one of the outstanding thinkers of contemporary America, in his special field, and his book contains much light on the Roman Catholic attitude towards the great new heresy of the era. But he is also a very busy man, and we suspect that he dictated much of it and has not bothered to see it through the press. What is the meaning of the statement that Sorokin believed that our period is "at the end of sensate culture?" Why is Viscount Grey of Fallodon described as "Lord Gray?" The reference to "the eighteenth century idea that man in his moral actions should be different to other-worldly considerations" ought to read "indifferent," which is not at all the same thing. The allies did not "in World War II choose to fight in alliance with one form of totalitarianism;" they began their fight against two forms in some measure of alliance with one-another, and when one of these turned to attack the other they could hardly help accepting the second as a co-belligerent. And it is difficult to know what Mgr. Sheen has in his mind as "liberalism" when he says that he means "historical liberalism with its roots in the seventeenth century or even earlier, which in the economic order became capitalism, in the political order nationalism, in the social order secularism, and which by reaction today has become totalitarianism."

All the same Mgr. Sheen's main argument, that three great fundamental ideas of nineteenth-century Western society have become untenable, or in his phrase are being liquidated, is extremely interesting and important. The ideas are those of *laissez-faire*, of the natural goodness of man, and of the supreme importance of the physical sciences as agencies of progress. None of these, of course, have any connection with Christianity, and Mgr. Sheen holds that to the extent to which they have prevailed the modern world has abandoned Christianity in fact even if adhering to it in name. There is a curious closing chapter on the miracle of Our Lady of Fatima (1917), which will impair the book's effectiveness among Protestant readers, at whom it is at least partially aimed, but which is probably included because the miracle involves a prophecy that "Russia will be converted and an era of peace will be given to the world."

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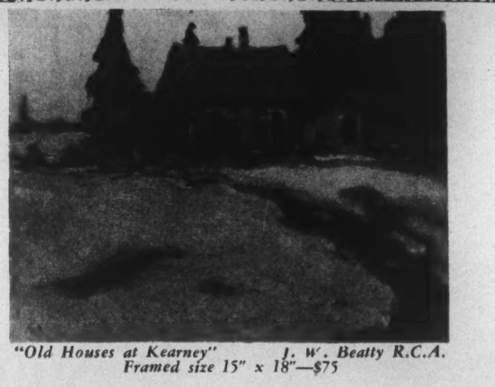

"Old Houses at Kearney" *J. W. Beatty R.C.A.*
Framed size 15" x 18"—$75

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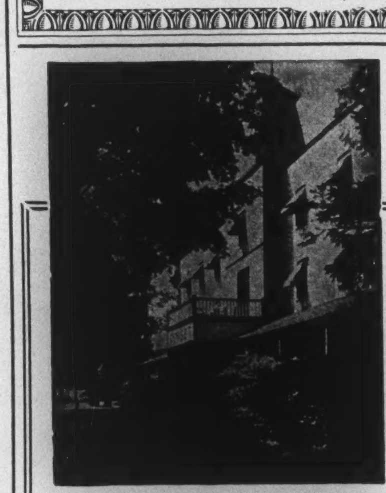

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THE BOOKSHELF

Light and Stimulating Warmth In New Study of Goethe

By L. A. MACKAY

A STUDY OF GOETHE—by Barker Fairley—*Oxford—$4.50.*

PROSE AND POETRY — by Alice Meynell — *Clarke Irwin — $3.75.*

ALICE MEYNELL — by Viola Meynell — *Clarke, Irwin — $3.25.*

THE VIRTUES RECONCILED — by Samuel C. Chew—*University of Toronto Press—Saunders —$2.75.*

GOETHE is one of the most interesting, and perhaps the most enviable, of the great figures of the nineteenth century. He lived in reasonable comfort, enjoying the respect and affection of a large circle; his mind, alike in creative and critical activities, was unusually keen and productive; his circumstances permitted him to give free exercise to a wide variety of interests, and he retained his mental and bodily vigor to an advanced age. Yet none perhaps of those who played an important and enduring part in the European culture of the nineteenth century is less well known to modern English readers.

Barker Fairley's masterly "Study of Goethe" presents a clear and orderly survey of the development of this prolific and many-sided genius in the varied environments to which it so whole-heartedly responded. What is more important for the general reader, the study transmits or re-kindles the enthusiasm that contact with Goethe's mind has hardly ever failed to arouse.

With certain aspects of the poet's long and often slow development, particularly his political attitude, or lack of attitude, and his classical enthusiasm, the biographer finds himself in little sympathy. As might be expected, the chapters dealing with these aspects carry the least conviction; only here is one inclined to wonder whether the critic has quite maintained touch with his author. But Mr. Fairley resists with admirable success the common temptation of biographers, to impose their own unity on the subject of their study, rather than to seek his unity in his work and life. This self-denial is particularly valuable in dealing with a volatile and vigorous genius who was passionately consistent with himself at any given moment, but not necessarily for two moments together, who was promptly and deeply influenced by the thoughts and feelings of those about him, and by the physical environment in which he moved, but whose reactions to external stimuli took stubbornly and intensely personal forms.

The Whole Man

Through his appreciation of the importance of Goethe's scientific interests in the formation of his thought, Mr. Fairley is able to demonstrate a deep and real unity in Goethe's response to the world about him, an attitude "at once personal and supra-personal," demanding a fusion, alike in scientific and in artistic work, of the objective and the subjective approach. Only the mature Goethe — and for Goethe maturity came late—was consciously aware of this ideal, yet in a sense it was implicit in the very volatility of his protracted adolescence and his long search for stability; he was learning to think and feel, in as full a measure as he could, not with a part, but with the whole of himself.

Mr. Fairley's study sheds not only light, but a stimulating warmth; even those to whom Goethe is little more than a name may find their attention held and rewarded; those who have studied the poet will return to him with fresh interest and understanding. Readers who have no German, or not enough, will be pleased to find the quotations on which the argument turns translated into clear and idiomatic English.

Quiet Felicity

The centenary of Alice Meynell's birth was happily marked by the publication of a volume of her selected poems and essays, under the title "Prose and Poetry." Despite the quiet felicity of expression, and the controlled intensity of her best verse, it is unquestionably on her essays that her reputation must chiefly rest, and these are sufficient to secure her a high and an enduring place in English letters. In them the modern reader finds, as her own generation did, "remarkable qualities of wit, discernment, and compression," "combined grace of manner and sanity of thought," and recognizes with delight a writer "witty, generous, with a certain austerity of spirit, a perfect example of the original as distinguished from the eccentric mind."

The selection given in this volume is admirably broad and representative. Her essays on people and places are masterly examples of vivid, subtle, and precise observation, with a delicacy and sympathy that never degenerate in softness or sentimentality. In her literary criticism, though her enthusiasm could sometimes lead her into generous errors in her estimate of contemporary work, the alert reader is constantly delighted by incisive good sense, accurate taste, and a constant respect for evidence, never overawed by a reputation or an accepted opinion. Her own style was easy, clear, vigorous, and precise; indeed, it may be doubted whether any critic ever felt more keenly or transmitted more effectively the refined and athletic pleasure of accuracy. "To my mind," she wrote, "the slightest touch of exaggeration should be got rid of once and forever from literature." Her own writing is high justification of this ideal.

Casual Emphasis

The memoir by her daughter, Viola Meynell, is, as its title implies, more a collection of anecdotes, letters, and the testimonies of friends than a formal biography. The intention is rather narrative than interpretive, though copious quotations are given from the verses and essays. The scheme is chronological; the selection of material and the distribution of emphasis seem at times rather casual than carefully thought out. Both the approach and the style may seem a little lax in comparison with those of Alice Meynell; but the account has the merit of keeping its attention steadily fixed on its subject, and the advantage of long and intimate acquaintance. It is not an outstanding work of biography, but does contribute a great deal of interesting information about a very fascinating person.

Professor Chew's Alexander Lectures on the visual imagery that underlay and accompanied the literary treatment of the virtues of Truth, Justice, Mercy and Peace in the English Renaissance have been published in an attractive book with brief but informative notes, and excellently reproduced illustrations. Allegory, which was for centuries a serious and even popular form of art, has now become little more than one of the curiosities of literature. Professor Chew ranges easily and lightly over a broad field of imagery, tracing the main lines of development clearly through a wealth of detail, that vividly illustrates the popular and literary conceptions of these virtues in sixteenth and seventeenth century England.

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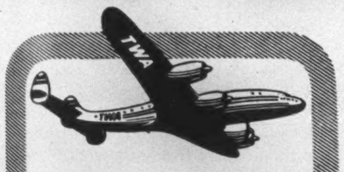

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MARITIMES LETTER

Political Omens Appear in N.B.; The Archbishop Who Attracts

By ERNEST BUCKLER

Bridgetown, N.S.

THAT N.B.'s legislature precipitated no really major issues may mean that rumors of a provincial election this year are well-founded. It may also mean that the government is keeping its platform up its sleeve, so that the Opposition will have no chance to spike it in advance.

Election omens may also explain the Opposition's persistent needling of the government's *general* policies and record, so hot sometimes that even Premier MacNair was flushed out in defence. This was particularly evident in criticism of the government's practice of showing an annual current surplus. Opposition Leader Mackay saw these surpluses as a deficit in sheep's clothing, while the overall debt snowballed to what is probably the largest per capita in the Dominion. ("But do tell us," the government countered, "how we can spend more money on public services, as you urge and cut our debt at the same time. Besides, who started the thing?").

A similar battle raged in the P.E.I. legislature, which showed a surplus of only $36,000, it's true, but against overall liabilities of a million and a half. Criticism of "book" surpluses *there* was not without a certain regional flavor. Opposition Leader MacMillan suggested frankly, if we put on our best suit every time we meet the public, how can we hope to get more money from Ottawa!

It is regrettable that the N.S. legislature, birthplace of responsible government in the overseas Empire, celebrated its centennial year without a single Prog.-Con. on the floor. The party is not as moribund as that! And a party which has the sympathies of so many of the electorate should have some direct voice in the province's affairs. That's not to say there's government by minority now. But, apart from the consideration that too one-sided a legislature can turn into a clambake, many people whose hearts honestly belong to P.-C. policy may decide, from the misleading representational mirror, that allegiance to their faith is merely a morbid grieving for the dead. In consequence, what was often a stabilizing influence in the councils of the flighty may be entirely lost. It's too bad the mortal unit is not divisible. Then (after the fashion of those statistics which show that the average man of 36 has 2.1 children, reads 3.3 books a year, and goes to 1.5 movies a week), if the vote was, say, 39,000 Libs., 26,000 P.-C.'s, and 14,000 C.C.F.ers, we might have exactly 3.9 Libs., 2.6 P.-C.'s, and 1.4 C.C.F.ers in the Legislature.

A curious twist has come into proceedings now that the 27 Liberals find their only opposition in 2 members of the C.C.F. Half the time you'd never know it was N.S. legislation under discussion at all. The main question seems to be whether a Socialist is not eventually the same as a Communist, either by fusion or metamorphosis; whether Russia is good or bad; and what exactly is the cost of liability insurance on a car with wheel-base under 111 inches, in Saskatchewan.

By Any Other Name

As Maritimers see more of the Right Rev. George Frederick Kingston, Lord Archbishop of Nova Scotia and Primate of All Canada, the dither is subsiding over what to call him. He doesn't notice whether you call him "Your Grace" or not.

"I don't worry much about titles," he says. His favorite press description seems to be: "An ordinary man who attracts ordinary people to him."

That's not to say that he is an ordinary man, except as one may become an ordinary man in the true sense by first becoming an extraordinary one, or that the ordinary man is attracted to him immediately. He lacks entirely that excruciating camaraderie which is so often the subtlest form of condescension. He has visited with woodsmen and miners (his attitude is, why not?). But to strive for the impression that he and simple men are spontaneous buddies ("No, I don't think I ever actually cut down a tree") simply doesn't occur to him.

In fact, the first impression is one of severity. He is kind but, if you like, tough. Saintly if you like ("I knew my calling when I was nineteen, and I've never had a moment's doubt about it since"), but with nothing of the frosty piety which embalms. Beneath the thick silver hair which in photographs makes him appear far older than he looks in the flesh, his ruddy face is firm, as if a steady charge of forcefulness kept on leash the normal play of expression. His glance can be as stripping as radar. He looks as if he could run a business. Any business.

It's not until his humor is kindled that all this changes. He's not a wit, but he knows what's really funny. The moment the part grin, part boyish twinkle (something else no photograph shows) starts, it dissolves the whole scaffolding of sternness and you can come right in. When the ordinary man sees that, he *is* attracted.

The paradox that he looks as much like a football player as a bishop is only apparent. He was one—every one of his husky 172 pounds is still tackle-taut—and he's had a go at all the other sports. It is significant that when he left Trinity College, University of Toronto, he was presented with not the usual functionless engraved platter, but a set of golf clubs.

No Mr. Chips

Maybe that's why he gets along so well with men, and with youth. Speaking of his years as Dean of Men Students at Trinity, he says, "I had clashes with students, but I never flew off the handle and said an angry word I wasn't sorry for afterwards. Because I always found a fundamental common sense in youth, that would express itself, if not fussed over. I don't believe in fussing over youth." He was no whimsical Mr. Chips, and a summons to "Freddie's" office was no one's idea of a tea-party. But he was the sort of guy who knew instinctively when the occasion decreed that a technical breach of discipline should be invisible.

Another warm spot in his memory is the Algoma period, particularly his work with the Indians.

Strenuous sports and attendance at stadium contests have largely given over now to an afternoon walk or a spin in his car, which he drives himself. For indoor relaxation, he enjoys family, friends, a good novel, occasionally a good detective story, and bridge.

He and Mrs. Kingston live simply in the large but otherwise unpretentious Bishop's Lodge at Halifax—on a salary which many steelworkers could tie. Mrs. Kingston can "bake a cherry pie" and does, in fact, bake a pie of some kind almost every day. There is some talk of what *her* title should be. The Primate has suggested "My Gracious". And everyone agrees that "gracious" should be in it somewhere.

When their three children were young, their father spent at least an hour of every day playing with them. A favorite winter scene of window-lining Trinity students used to be the spectacle of the Dean, fresh from a lecture on Kant's Categorical Imperative maybe, blueprinting an igloo in the quadrangle below. That informal family relationship still holds. Technicalities of address are no problem for *them*. Mrs. Kingston calls him "Daddy", and the children call him "Poppy". Or maybe "Archpoppy" now.

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BOOKS ON WORLD AFFAIRS

Goebbels Tells the Truth for Once And Looks Also at the Future

By WILLSON WOODSIDE

THE GOEBBELS DIARIES — edited by Louis Lochner—*Doubleday*—$4.50.

WHILE memoirs are coming out thick and fast on our side these days, we have the private papers of only one of the leading figures on the German side of the war. What a story it is, too, of the finding and publication of the Goebbels' diaries! Dumped by the Russians into a courtyard to burn—while they carried off the filing cases—probably a large part was burned. The remainder turned up at a junk-dealer's, where again the bindings had been found to represent the real value, and the paper contents been bundled for salvage.

Some German happened to notice the rare quality of the paper, and the wasteful triple type-spacing and figured that they might be important. After passing through three German hands they reached an American who showed them to Louis Lochner, long-time A.P. correspondent in Germany before the war.

It must have been some job to sort out the 7,000 pages, unnumbered and all jumbled up by this time. Only the years 1942 and 1943 were left, days and weeks were missing here and there, and there was one gap of half a year. Yet this account from inside the Nazi high command was well worth publishing. Perhaps it is especially interesting to one who heard Goebbels in action so often from 1932 on, and spent a dozen years fighting his propaganda.

Lochner has made a free translation from Goebbels' pungent and slangy German into American idiom, and interspersed notes where necessary. He can quote with satisfaction Goebbels' personal attack on him, when the American correspondents had been allowed to leave Germany and had reached Lisbon with their stories.

Haw-Haw's Style

In this same entry (a single day's dictation ran up to 85 pages) we find Goebbels keen about a plan for occultist propaganda, for which he believed the English and Americans would fall. For this, he said, "we are pressing Nostradamus into service again." At this time he believed his broadcast propaganda to Britain to be very effective, "though an aggressive, superior and insulting tone gets us nowhere," and so Lord Haw-Haw would have to change his style.

On the other hand he believed that Vansittart and other British speakers were very foolish to lump all Germans together as guilty of the war. "If they were to make a difference between the people and ourselves they could undoubtedly gain more thereby . . . I sense a certain danger in (other) tendencies aired in the House of Lords and forbid the German press to mention them." It is clear from many entries that he considered our policy (or was it lack of policy?) of Unconditional Surrender to have been a great aid to him in maintaining the resistance of the German people.

Among the revelations of his propaganda methods he describes an elaborate "plant" of an article on the German plans for the 1942 summer offensive in the East, in the *Frankfurter Zeitung*. The issue was "promptly" suppressed — after the foreign mail copies had left Germany. Another German editor was sent to visit the German front in the East at this time, and then to Lisbon to "babble" in his cups a misleading version of the plan.

Yet even in the department of one of the ablest of Hitler's Ministers things slipped up sometimes. When the BBC broadcast within a few hours a speech which he had made for home consumption, and Goebbels found that his own Transocean News Service had sent out the text, he "felt as if he lived in a madhouse." He commented, "there is always only one possibility of doing the right thing, but thousands of possibilities of doing the wrong thing, against which you simply cannot protect yourself." It was probably beyond him to reflect that telling the truth was, by contrast, quite simple and easy.

Goebbels, who finds time to deal with every manner of thing going on in the Third Reich, turns from the Battle of Stalingrad to "the moral aberrations on the part of women" to comment that "in the fourth year of war one cannot be too strict about morals." At this time he still found Mussolini "an outstanding historical personality." A year later, after the Duce had been rescued by German glider troops he found him to be all washed up and of no further use to them.

In a similar way, in December 1942 he still believed Germany "had a lot on the ball" in her U-boat warfare, which was "just as effective an instrument of war for us as the air force is for the English." The seriousness with which he took our air raids long before they became really heavy stands out in many entries of 1942. When it came to the great raids on Berlin in November '43, following the pattern set in Hamburg, Goebbels was terrifically shaken. These are his most graphic pages.

"I just can't understand how the English can do so much damage in one air raid. It is truly shattering . . . One wanted to close one's eyes to shut out the horror." And only a few days earlier he had been enthusiastic over the "balm" which the German people had found in Hitler's promise that after victory the destroyed cities would be reconstructed "in short order."

How interesting it would have been to have Goebbels' comments on Germany's future as the war ground on into 1944 and '45. For here, in his diary, one of the master liars of all time set things down as he really saw them. I wouldn't say that he said what he believed because it is hard to find what real belief he had, except in Hitler—for whom he has only adulation throughout this account. One of his last entries remarks shrewdly, if hypocritically, that "the most surprising thing about the whole matter is that nobody in England seems to recognize that once the Soviet Union is in Europe, it will be a much more dangerous opponent of the British Empire."

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FILM AND THEATRE

Movie Making, Like Politics, Is the Art of the Possible

By MARY LOWREY ROSS

IF THE critics of Hollywood and the men who produce Hollywood pictures can never come to any agreement it is largely because each group persistently refuses to recognize that the other has an entirely different set of values.

Hollywood's critics find Hollywood insufficiently interested in ideas, literature and social and political responsibility. They forget that the men who produce pictures are still busy with an immensely technical process. They aren't primarily thinkers or writers or social prophets. They are expert technicians working in a complex industry to turn out acceptable mass entertainment. They don't ask whether an idea will enlighten or excite or change the face of society. They ask, usually in conference, "Will it work?"

To claim that Hollywood undervalues writers, however, is unfair. The truth is that Hollywood has an enormous respect for writers, combined with a complete misunderstanding about the way the mind of a writer works. "We pay writers as much as ten thousand dollars a week and leave them free to go ahead and work," a producer pointed out to me. If the work turned out by the author at this stupendous figure is unsatisfactory, then it is the company and not the writer that must take the loss. What could be fairer than that?

The trouble is, of course, that creative talent simply doesn't work that way. A writer faced by the task of earning $10,000 in a single week under a set of definite, even if unstated rules, is more likely to be paralyzed than stimulated by his assignment. By all the laws that govern creative work, a writer must be left free of compulsion, even over-friendly financial compulsion. On the other hand, by all the laws that control industry, a salary of $10,000 a week in any department is expected to produce results.

Frank Capra has probably come closer than anyone else in Hollywood to working out a compromise between the creative and the technical approach to movie-making. Like most Hollywood producers he has grown up with the industry. But unlike many of them he is interested in ideas that extend beyond the business of making successful movies. As it works out, his ideas usually result in brilliantly successful movies.

Capra believes intensely in America and the people who make up America. He is tough-minded enough to recognize that even in his beloved democracy there are forces of chicanery and cynicism always busily at work trying to destroy the things he genuinely values—integrity, faith and good will. Truth, however, is always at the bottom of the well; and though the well itself may be polluted, unsanitary and thick with corruption Truth, in Capra's hands, is bound to surface triumphantly before the end. (See "Mr. Deeds Goes to Town", "Mr. Smith Goes to Washington", "It's a Wonderful Life" and the current "State of the Union".)

Capra himself would be the last to claim that he is a profound social thinker. He is over-optimistic, he frequently sentimentalizes his beloved small-town types and his conclusions are the simplified conclusions of a confident, energetic and highly successful man. His stories in fact usually follow the Horatio Alger pattern, with the rewards of virtue substituting for the rewards of wealth. In spite of this his productions are always persuasive as well as enjoyable entertainment; and this is because Capra, having every trick of craftsmanship at his finger ends, is able to take the liveliest possible interest in his story, his ideas and his characters. The delight he takes in his films is clearly a story-teller's delight; and since he never undertakes a story unless he is able to believe in it fervently he is usually able to pass on a share of his own enthusiasm to his audience.

No One Except Capra

His latest film, "The State of the Union", is the screen version of the Pulitzer prize winning political satire by Howard Lindsay and Russell Crouse. While it is quite possible to criticize the Capra version on the ground that it takes most of the fierce cutting edge off the original play, it must be remembered that movie making, like politics, is the art of the possible. Certainly no one except Capra could have made "The State of the Union" possible as general movie entertainment.

Capra has no particular respect for politics, but he likes to attack political chicanery in his own way. He was offended for instance by the political burlesque "The Senator was Indiscreet". "I didn't like it because there was no one in it I could like," he said in discussing it. He has seen to it that there are plenty of people he can like in "The State of the Union"—the Presidential candidate (Spencer Tracy), the candidate's idealistic wife (Katharine Hepburn), and any number of humble affectionately observed "types" who want to believe, along with Capra, that the healthy state of the Union is a matter of integrity and good faith.

It is true that Spencer Tracy's political idealist never sounds even in his most exalted moments like anything more than a solid middle-of-the-road thinker, and that his public breastbeating at the end is carried to unjustified and embarrassing lengths. It is true too that the infallible wife played by Katharine Hepburn might easily put a strain on even the most idealistic politician. Even so, both Spencer Tracy and Katharine Hepburn manage to present themselves most of the time as likable and even believable human beings. There is also a fine resounding performance by Angela Lansbury as a newspaper publisher with a taste for politics. Altogether, "State of the Union" makes an exceptionally good evening's entertainment and gives us fresh reason to be grateful for a Hollywood producer with a sense of responsibility that he refuses either to ignore or to take too portentously.

• •

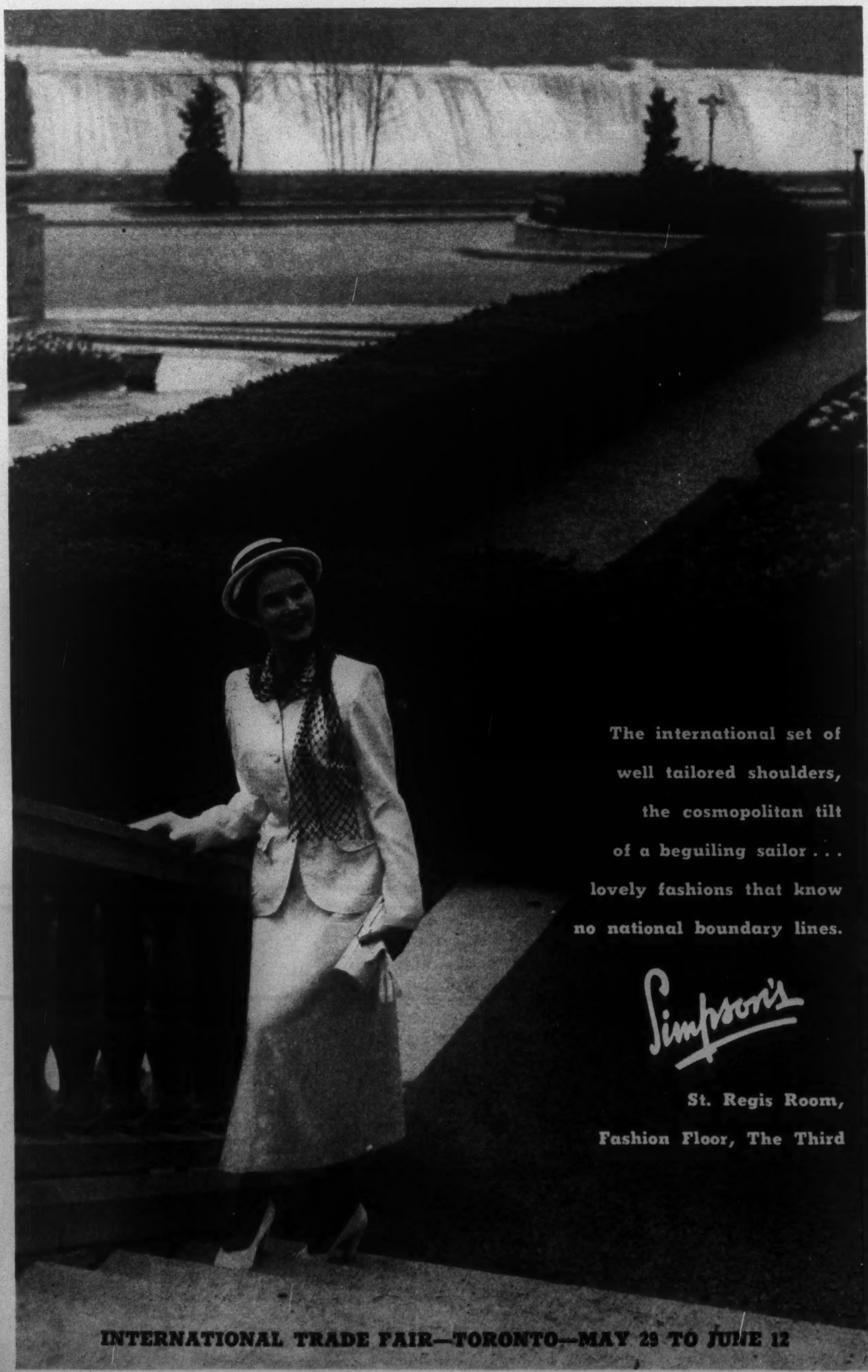
"The Winslow Boy"

By LUCY VAN GOGH

THE great achievement of Terence Rattigan in writing "The Winslow Boy" is that of providing a constant supply of opportunities for clever and subtle acting. The great achievement of the brilliant English company now performing the piece at the Royal Alex. is that it misses none of these opportunities. That immensely accomplished actor Alan Webb is the highlight of the company, but he is admirably supported by half a dozen skilled and sensitive players.

While not in itself a "great" play, this version of the famous real-life

(Continued on page 24)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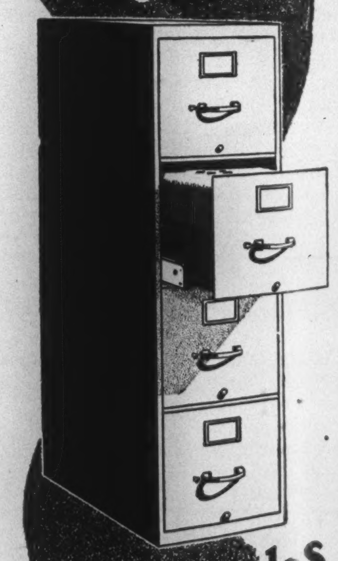
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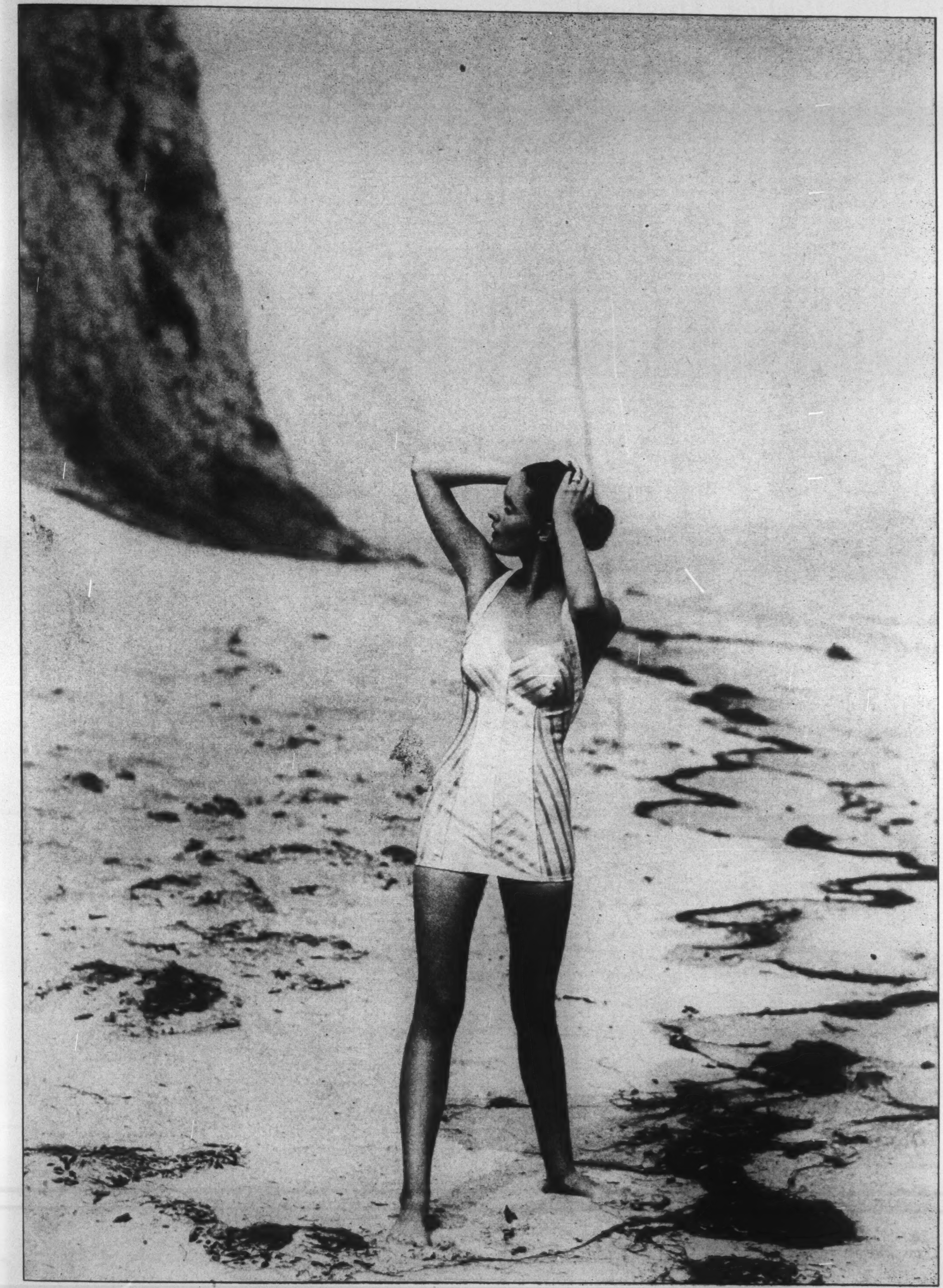

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Fashioned to cut a dashing figure on the beach, to become a second skin when its wearer cleaves the water . . . . a one-piece swim-suit classic of two-toned striped lastex. The back is smooth and seamless, the panel front is outlined in faggotting. By Rose Marie Reid, the young Vancouver woman who has been officially appointed to design the swim suits worn by the Canadian Olympic Swim Team.

BERNICE COFFEY, *Editor*

BRIDEGROOMS

A Blueprint for the Perfect Husband

By CHRISTINE B. MACKENZIE

THERE you stand—now pronounced man and wife—you, the bridegroom whose chief responsibility has been to pay the minister, and your lovely bride, in her mist of white veiling. You're all set to make this the perfect marriage.

At least she is. She's listened to good advice and helpful hints from friends and relatives for months. She's been handed dozens of books and booklets on the best ways to keep a spotless home and be a perfect wife.

But are you all set? Nobody handed you any booklets on being a perfect husband. The boys at the office may have slipped you a few gems of wisdom while you all stood around the water cooler. But for all their sly winks, you brand new lord and master, there's a lot they left out.

There is a blueprint for you to trace to keep your charming bride blissfully happy through the years. It includes far more important and mundane things than just remembering birthdays and anniversaries, and throwing away your little black address book.

For instance, the laundry problem. A few weeks ago, when your betrothed was existing on whiffs of stardust and orange blossoms, she undoubtedly never gave a thought to this aspect of connubial happiness. She may have pictured herself sitting on the porch, while dinner simmered gently on the stove, sorting and darning your clean socks.

It was such a pretty domestic picture, that it hadn't occurred to her yet, just how those socks got to be clean.

And it's going to be a nasty shock when she finds out! She won't be able to remember a thing in your breathless proposal of marriage that mentioned an unromantic pile of your ready for washing underwear.

Unless she's been helping with the family washing for years, the laundry will seem a real chore to her. Your cue is to say firmly, "We'll send it out, of course, at least all my things, and the household stuff."

So you do. She thinks what a wonderfully considerate husband she has. If this is a financial strain, don't worry. The first time she pays an unusually big bill, she'll decide that she really must learn to do it by herself.

You say solicitiously, "But I'm afraid it's too hard for you, darling." Occasionally you mention how the boys admired your shirts lately. Soon, no problem.

Of course, you really are a brute if you expect her to do any of the washing without a good machine. That hand rubbing stuff went out quite a while back.

The same argument goes for all kinds of modern household equipment. You had better figure on spending some of those fat wedding checks in the local appliance store.

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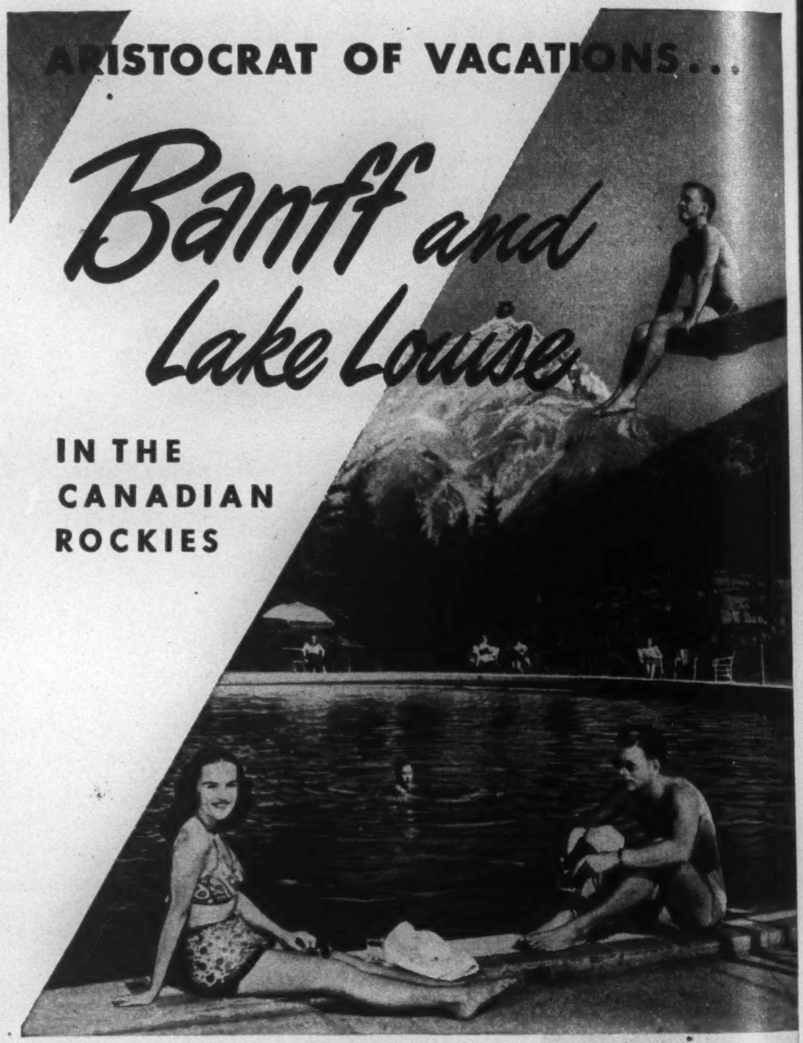

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BRIDEGROOMS

A Blueprint for the Perfect Husband

By CHRISTINE B. MACKENZIE

THERE you stand—now pronounced man and wife—you, the bridegroom whose chief responsibility has been to pay the minister, and your lovely bride, in her mist of white veiling. You're all set to make this the perfect marriage.

At least she is. She's listened to good advice and helpful hints from friends and relatives for months. She's been handed dozens of books and booklets on the best ways to keep a spotless home and be a perfect wife.

But are you all set? Nobody handed you any booklets on being a perfect husband. The boys at the office may have slipped you a few gems of wisdom while you all stood around the water cooler. But for all their sly winks, you brand new lord and master, there's a lot they left out.

There is a blueprint for you to trace to keep your charming bride blissfully happy through the years. It includes far more important and mundane things than just remembering birthdays and anniversaries, and throwing away your little black address book.

For instance, the laundry problem.

A few weeks ago, when your betrothed was existing on whiffs of stardust and orange blossoms, she undoubtedly never gave a thought to this aspect of connubial happiness. She may have pictured herself sitting on the porch, while dinner simmered gently on the stove, sorting and darning your clean socks.

It was such a pretty domestic picture, that it hadn't occurred to her yet, just how those socks got to be clean.

And it's going to be a nasty shock when she finds out! She won't be able to remember a thing in your breathless proposal of marriage that mentioned an unromantic pile of your ready for washing underwear.

Unless she's been helping with the family washing for years, the laundry will seem a real chore to her. Your cue is to say firmly, "We'll send it out, of course, at least all my things, and the household stuff."

So you do. She thinks what a wonderfully considerate husband she has. If this is a financial strain, don't worry. The first time she pays an unusually big bill, she'll decide that she really must learn to do it by herself.

You say solicitiously, "But I'm afraid it's too hard for you, darling." Occasionally you mention how the boys admired your shirts lately. Soon, no problem.

Of course, you really are a brute if you expect her to do any of the washing without a good machine. That hand rubbing stuff went out quite a while back.

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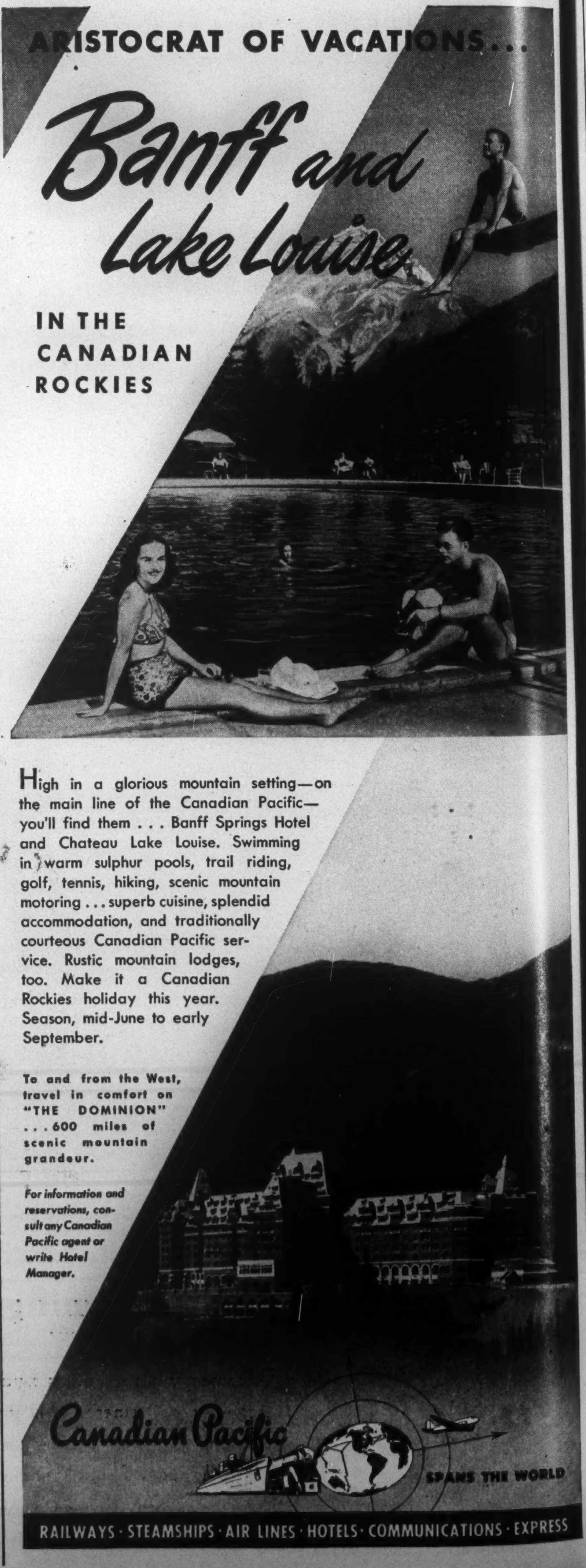

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MUSIC

Read and Listen

By JOHN H. YOCOM

FOR 206 years, since its first performance in Dublin on April 13, 1742, Handel's "Messiah" has set a refined fashion at Christmas in musical circles that no one at this time can foresee ever vanishing. Robert Manson Myer has written a book, "Handel's Messiah, a Touchstone in Taste" (Macmillan, $5), that in a definitive way for authority and interest to music students and "Messiah" lovers explains the durability of the great work. He presents in detail the social background of the period in which Handel wrote, the circumstances of composition, and a critical analysis of the text and score. He traces through the centuries and over England, Germany, France, and the U.S. the progress of the masterpiece. His source material, culled from newspaper clippings, poems, novels, pamphlets of the period, colors the book authentically. There are a comprehensive bibliography and index.

Shostakovich's recent castigation was only one of his many checking-ups. "Shostakovich, the Man and His Work" by Ivan Martynov (McLeod, $4.50) gives a frank admirer's sympathetic picture of one of the leading figures in composition in the world. Like the Soviet critics Martynov is more pleased by Shostakovich's affinities with the spirit of the struggling Soviet people than his neo-Classicisms. He analyzes the wide range of the man's interests and works. He makes some interesting comparisons as he goes along (*e.g.*, with Charlie Chaplin for able handling of the grotesque, with Hindemith, with Picasso).

For anyone who needs a handy compendium of U.S. composers and their work, the revised and enlarged edition of "Composers in America" by Clare E. Reis (Macmillan, $5) should fill the bill. In alphabetical order are set out biographical sketches, compositions with date of completion, the publishers' names or MS designation, and playing time. Serious writers of film scores are also included. Program committees of orchestras should find many provocative suggestions here. It is regrettable that a similar complete work for Canadian composers does not exist.

Eddie Condon's "We Called It Music" (Oxford, $3.75), narrated by Thomas Sugrue, is all about Mr. Jazz's (Condon's) own life, his boyhood, and his breaking into the dance-band profession. The great names of the era—Peavey's Jazz Bandits, Papa Joe Oliver, Louis Armstrong, Willie the Lion Smith, Johnny Dodds—weave in and out of the guitarist's story. Condon gives a worshipful description of his first meeting with Bix Beiderbecke, the greatest of them all, a colorful recounting of jobs for Al Capone's gang, etc. The book is better written than Rudi Blesh's "This Is Jazz". An appendix by John Swingle lists records of Chicago bands and Eddie Condon.

—*Photo by Jarrett*

Eisenstein (Andrew MacMillan) waltzes with the coquettish Adele (Miss Beth Corrigan) in this scene from the Royal Conservatory Opera presentation of "Rosalinda", gay light opera by Johann Strauss opening at Royal Alexandra Theatre, Toronto, on May 31 for two weeks.

Delius Biography

In "Delius" (Macmillan, $3.25) Arthur Hutchings, Professor of Music at the University of Durham, has written a book that is neither pure adulation nor full of biographical chinks, about the English composer who died more than a decade ago. It is a studied and impressive analysis of his orchestral works, chamber music and songs. The writer thinks of Delius primarily as a religious composer, despite his scorn for traditional modes of worship, in a voluptuous longing for the beyond.

"Exploring the World of Music" by Rj Staples (Macmillan, $1.95) is a junior course in school music appreciation, filled with sample works and organized to cover the common forms with elementary analysis. The author is Saskatchewan's Provincial Supervisor of Music. The basic outline is one familiar to books of this type.

In "The Art of Judging Music" (Ryerson, $4.75), the New York *Herald Tribune's* critic Virgil Thomson, considered to be the best of them all, tells about the bases on which he makes his judgments and gives generous samples of various reviews from his paper.

"The Quartets of Beethoven" by Daniel Gregory Mason (Oxford, $5.25) is an excellent book for better understanding of the great man's sixteen quartets and his "Great Fugue". A "must" for chamber music record collectors, the book discusses the value of repeated hearings and gives explanatory material to further deepen the appreciation of the music lover. The author is a distinguished composer and lecturer.

Singing Stars at Prom

Winner of this season's Singing Stars radio contest, baritone Gilles Lamontagne demonstrated for last week's Prom audience that he can hold his own with most professional guest-artists. In songs of contrasting sentiments, Massenet's "Vision Fugitive", a snappy vocal version of Saint-Saëns' "Danse Macabre", Wagner's "Evening Star" and the hackneyed "Sylvia" by Oley Speaks, Montreal-born Lamontagne won his audience with a facile sense of interpretation, and a firm and resonant voice, robust and powerful in the middle and lower registers if a little over-restrained in the upper. Clarity of diction made syllables of "Danse Macabre" fairly jump.

Honorable-mention-winner of the Singing Stars series, soprano Marie-Germaine Leblanc delightfully presented Mozart, Rossini and Strauss arias with a light, flute-like voice, and while suggesting tonal fragility had ample power for barn-like Varsity Arena.

At the Toronto Prom concert on June 3, the guest conductor will be Dr. Frieder Weissmann, well-known to Prom-goers of previous seasons. The soloist will be the famed pianist Ellen Ballon, who will play Grieg's Concerto in A Minor.

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On May 25, Sir Ernest MacMillan conducted a subscribers' concert by the Winnipeg Symphony Orchestra.

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THEATRE

(*Continued from page* 20)

case of the father who spent half a lifetime getting his son cleared of a dishonorable and wholly unfounded charge is a sound lesson in the need for resisting evil wherever it shows itself. But the feeling with which one comes away from the theatre is not so much that of having been stirred to a higher degree of public spirit, as of having been witness to an astonishingly dexterous piece of entertainment. This is the English theatre of the mid-century at its best, and should not be missed by any real lover of the art.

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SYMPHONY CONCERTS
THURSDAY 8.30 p.m.
FRIEDER WEISSMANN
Guest Conductor
ELLEN BALLON
Pianist
Res. $1, 60c - Gen. Admission 40c, 25c
Heintzman's, Moodey's (Arena Thursday)
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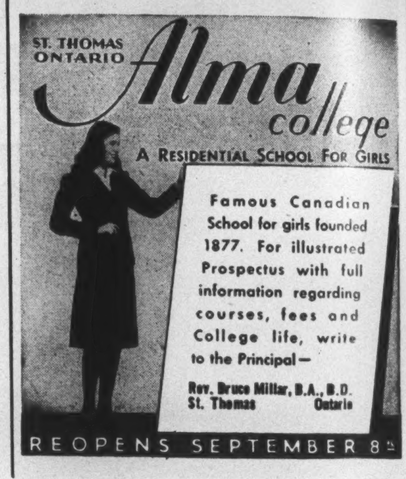

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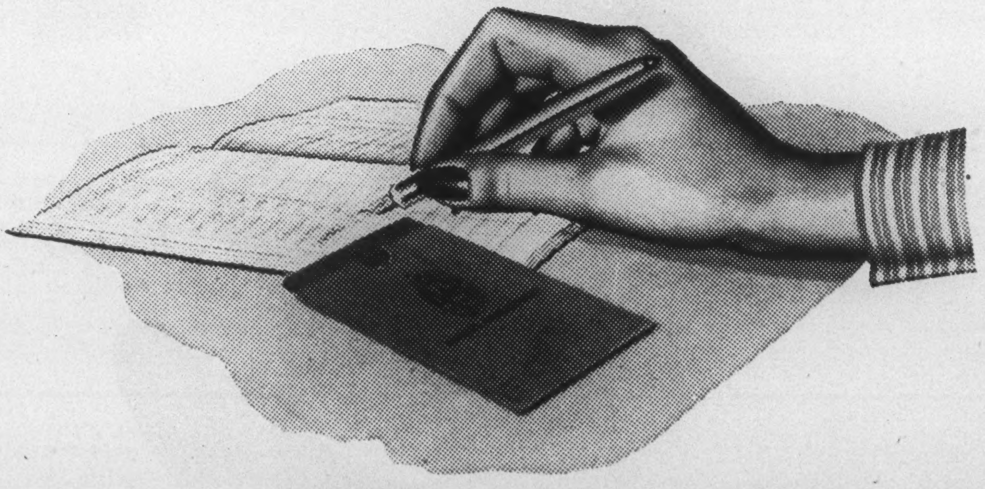

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The simple secret of saving is *regularity* . . . deposit money regularly, and leave it there until you have the amount you want for some specific purpose.

If, on the other hand, you try to save more than you can afford it becomes not only a burden, but an impossibility. You find you have to miss one or two deposits, you find yourself drawing out your savings for some current need.

Decide on a sum you can afford, make your deposits regularly, and *enjoy* saving!

THE BANK OF NOVA SCOTIA

RADIO

C.B.C. Prizewinners in U.S.

By JOHN L. WATSON

THE C.B.C., has, as usual, upheld the honor of its native land by bringing home a pocketful of prizes from the annual exhibition of the Institute for Education by Radio, held at Columbus, Ohio. So far, the score is four Firsts and two Honorable Mentions with some precincts still to report.

The top prizewinners were: Andrew Allan's production of "Murder in the Cathedral" adapted by Lister Sinclair, the very first play on the "Wednesday Night" series; "The Case Against Cancer", also by Mr. Sinclair, produced by Esse Ljungh; "Magic Adventures", with script by Kathrine Marcuse and production by John Barnes; and "Ontario Social Studies", written by Max Braithwaite and produced by Kay Stevenson.

Honorable Mention was made of Harry Boyle's "Stage 48" play about racial prejudice, "The Flame of the Spirit", and the educational program, "Story Period for Juniors" by Fern Rahmal.

Some nice things were said about all these productions by the panel of judges, who appear to have been much impressed by the C.B.C.'s doings. For example, "Murder in the Cathedral" was justly described as "a superb adaptation for radio of a great literary work"; "The Case Against Cancer" was praised for "effectively escaping the cliché of fear as an appeal".

It is unlikely that these awards will cut much ice with the traditional opponents of the publicly-owned broadcasting system, but, coming as they do from a country where the supremacy of commercial radio is unchallenged, they ought to serve as a source of encouragement to the people in Canadian radio who are constantly endeavouring to raise an already high cultural level and to that section of the public which approves of their efforts.

The so-called French Canadian "Wednesday Night" came a cropper because it wasn't sufficiently French Canadian. The two principle items were a performance, by French Canadians, of a French operetta and an English translation of a French Canadian play.

The operetta was "Chanson Gitane", composed by Maurice Yvain, a contemporary French musician whose music is written in the Victor Herbert-Rudolf Friml vein. It was pleasant enough to listen to but even the slick performance by *Les Variétés Lyriques* failed to make it sound like anything more than it is—a mediocre musical comedy, and not in the remotest way French Canadian.

Robert Choquette's "Le Curé de Village" must be a captivating affair when it is played in the pungent patios of rural Quebec, but in the English translation it lost a good deal of its charm and inevitably acquired some of the characteristics of the typical American daytime serial—which is sufficient to frighten away even the sturdiest listener. The players were uniformly competent and—with all respect to the able actors of you-know-what city—it was pleasant to hear some new voices for a change.

A new wrinkle in radio transmission is being tested at Hornby, Ontario, where C.B.C. engineers are operating two separate transmitters through a common antenna. According to the Corporation's officials this unique procedure will save about $100,000 on construction costs as well as cut down on annual operating expenses. The transmitters are those of CBL and CJBC, the latter scheduled to increase its power to fifty kilowatts on July 1. The new transmitter for CJBC was manufactured by Northern Electric Company and matches identically the old CBL apparatus. The whole project, the first of its kind in North America, was worked out by the engineers of the C.B.C., Northern Electric and the Bell Telephone Company.

More Cursings

For all its good works, the C.B.C. is being cursed in some quarters with more energy than ever. For example, ambitious local broadcasters who planned to install television transmitters and to take advantage of U. S. network telecasts, had their hopes rudely shattered when the Board of Governors announced a policy of "not granting permission for individual private Canadian television stations to become outlets for non-Canadian systems". According to the C. B. C. statement the necessary network channels will be reserved for the national system, to be developed in the national interest.

Because the factors of long line distances and sparse population will make the cost of transmitting television broadcasts very much higher in Canada than in other countries, the licence fee for television receiving sets will be a good deal stiffer than that for sound receiving sets. It is hoped, however, that the revenues collected from licences and from commercial sources will be sufficient, after initial financing, to bring television to many of the more thickly populated parts of the Dominion.

The reaction of these restrictive measures was bound to be violent, especially on the part of those who saw in American-sponsored telecasts an unlimited source of advertising dollars. The day after the C.B.C. announcement was published, one journal in an editorial entitled "CBC Tightens the Shackles", reminded its readers that what is happening to television can also happen to facsimile and then where will we be?

It seems to me that this dire warning ignores the obvious fact that facsimile will never replace the old-fashioned newspaper—and the equally obvious fact that if and when an "admittedly totalitarian government" takes over this Dominion it won't matter a hoot what kind of radio system it inherits; when things are not the way dictators like them, they change them.

With kind permission, Mrs. G. A. Rea

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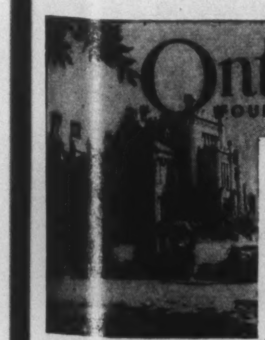

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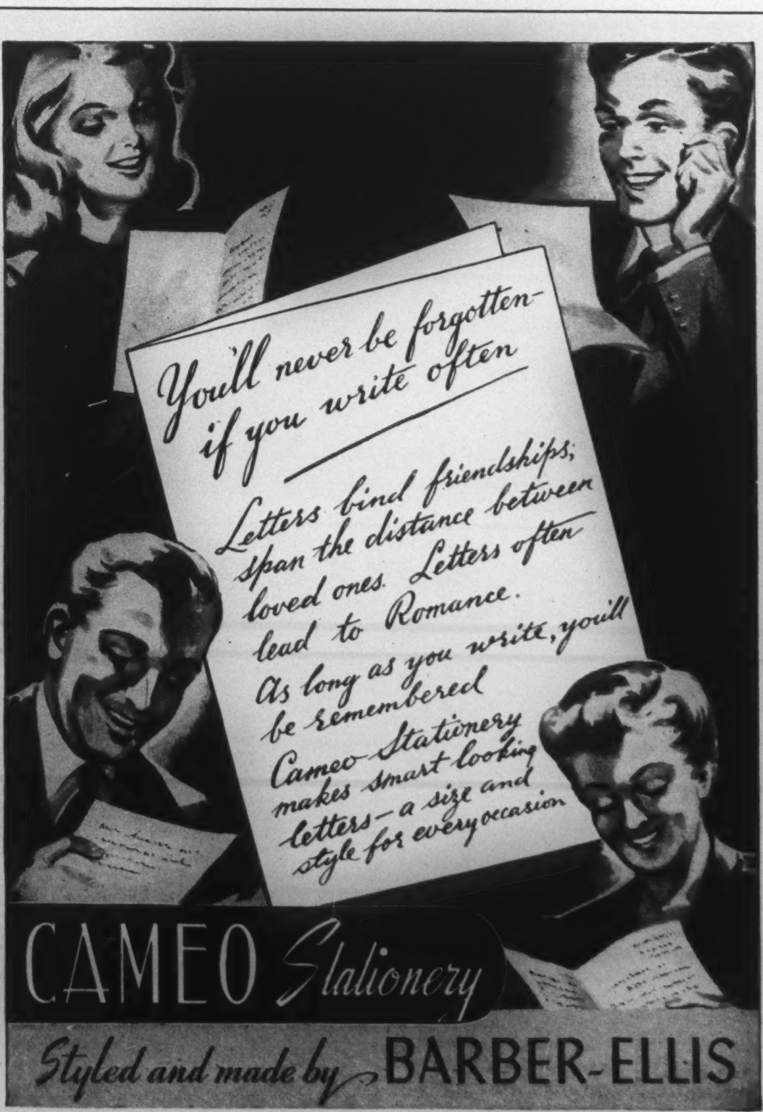
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PERSONALITIES

Royal Victoria's Warden

By FRED KAUFMAN

COLLEGE professors, if we are to believe their biographers, are not only absent-minded, but also notoriously bad administrators. Such sweeping statements, however, cannot be applied to Dr. Muriel V. Roscoe, who has successfully combined a brilliant academic career with one of McGill University's most important administrative jobs. Furthermore, as for absent-mindedness, her students tell us that in this respect, too, she has defied tradition.

Tall and with greying hair, Dr. Roscoe has in the past seven years become a familiar figure on the large campus. Women students (there are 1,400) know her as Warden of the Royal Victoria College, but many a male student has also come into contact with her. For not content with the tremendous task of keeping such a large number of co-eds "under her wing", she has been a member of the botany department since coming to Montreal in 1940. Lest anyone think, however, that this is only a "sideline", we hasten to add that she has been chairman of the department for a number of years and that her academic ability was formally recognized last month when she was appointed Professor of Botany, thereby becoming the only woman to hold a full professorship at McGill.

It should be explained that the Royal Victoria College enjoys a somewhat unique position in Canadian University life. Founded and endowed by Donald Smith — who later became Lord Strathcona—"to foster and develop the education of women", the college is indeed fulfilling its purpose. All female out-of-town undergraduates, regardless of age, are required to live in residence ("we strongly believe in the residential system"), but even non-residents find that sooner or later their paths will lead to the R.V.C.

A Nova Scotian

Heading this important branch of the university is "The Warden", whose task it is to direct the extra-curricular activities of all co-eds in undergraduate courses, to look after the welfare of all resident students and, lastly, to counsel the girls on academic matters. "In other words," Dr. Roscoe told us, "you might call me a liaison officer between the co-eds and members of the faculty. It isn't always easy to look after so many girls, but I enjoy every minute of it."

A Nova Scotian by birth, it was natural that she should look to Acadia University when the time came to leave high school. Scientifically inclined, she chose a course consisting mainly of chemistry, physics and biology. Four years later, with a brand-new B.A., she turned to teaching, but the yen for increasing her knowledge soon got the better of her and she left the little red school house (in Truro, N.S.) to attend classes at Radcliffe College. Three years of hard work followed, but with a Ph.D. in Botany she felt ready to tackle her first major job: lecturer at her Alma Mater. Her abilities were soon recognized and in 1929 she became professor of Botany.

When in 1940 the post of Warden of the R.V.C. became vacant, Dr. Roscoe was one of an "unusually large" number of applicants. In announcing her appointment, Dr. F. Cyril James, principal and vice-chancellor of McGill, said: "I have great confidence in Dr. Roscoe's ability to contribute to the life of McGill University since the position of Warden of the Royal Victoria College is of peculiar importance within our university community. Since she comes into closer contact with our women students than any other member of the staff, the warden has a responsibility that transcends the mere management of the College as a residence . . . and by her own guidance and example . . . she can supplement formal instruction . . . "

At the same time Dr. James announced her appointment as assistant professor of Botany. Three years later she was elevated to an associate professorship until last month she achieved what only one woman before her had achieved: a coveted full professorship.

As one would expect of a botanist, she is extremely fond of field work. "A botanist needs no hobbies," she explained when questioned, "for his time, particularly in the summer, is always taken up with outdoor work."

Such work prompted what she now calls her "most interesting experience"—a two-man (pardon us, two-woman) expedition to tiny St. Paul Island, off the Nova Scotia coast. There, together with Miss C. L. Perry, another noted botanist, she compiled (and later published) a record of the flora. "It was great fun," she recalls, "although we almost drowned on the way back."

As a graduate of one of Canada's smallest universities (Bishop's), this writer could not resist the temptation, before bringing the interview to a close, to ask Dr. Roscoe, the graduate of another small university (Acadia), for her opinion on Dr. J. B. Brebner's recent suggestion that "Canada would benefit greatly either by closing up, perhaps consolidating, such colleges, or by putting enough money into them to ameliorate their defects."

"I have high regard for the work done by such colleges," she replied without hesitation, "and excellent graduates are turned out at some places." She also praised the close contact between students and professors that can be maintained at such universities, but she warned that such a relationship can only be beneficial if high calibre people are attracted to the faculty.

It is perhaps significant that she stressed the aspect of "close contact". For one thing has become obvious to her in her wide experience as Warden: Only by observing the co-eds both in and out of the classroom have their problems become hers. And only through the understanding thus gained has she been able to prepare the women of McGill for the demands and responsibilities of life.

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CUISINE

Sunday Night Supper

By RONALD McRAE

AT THE drop of a hat I can leap into an argument over the various uses of herbs, the exact time to cook beef, the proper temperature for beer, or whether one keeps the little finger up or down. But Sunday night supper is a subject I approach with a certain feeling of trepidation, for this meal is the end result of a lifetime of habit based on family customs in childhood, and it seems an impertinence to suggest changes. However, on second thought, the very prevalent hang-over and Sunday supplement of today, is a far cry from the well routined and freshly starched feeling of church and the family dinner of one's childhood. There was invariably a roast and pie, and a gradual tapering off through the rest of the day to a really fresh start on Monday—which I don't remember as being the almost national day of horror it now is.

A shawl collar with cape effect outlined by loop trimming, adds interest to an unusual British-designed house coat of hyacinth blue Viyella.

In pre-inflationary days it would have been a simple matter to get out my cook book and suggest some of my favorite Creole recipes. But today the list of ingredients required for these dishes is apt to approach the value of rubies and emeralds. What of the green and red peppers, the eggplant, fresh tomatoes and the tinned shrimps and lobsters which have achieved such an astronomical value in so short a time? No, these words are meant as an inspiration for the harassed housewife or male provider who bursts into a hot sweat at the idea of eight to eighteen to supper—with lettuce at only ten cents a leaf, and the still despised cabbage and tiny bunch of scallions the only green on a very grey field.

Food and Drink

First of all, I think the food should be fairly substantial. Those who have had the proverbial at one o'clock have not been able to face much food since, and those who are creeping back to normal health have not been able to face food. There should be hot and cold, some bland and some roughage, some appetizing taste-teasers, and a good deal of liquids. Hot and cold.

Your bar tray should reflect your own taste and personality. I think if one dreams up the food, and it is successfully balanced and tasted beforehand in the creator's mind, the aperitif before is an integral part of the scheme, and to heck with the Scotch drinkers. For one thing, good sherry isn't used nearly enough when, as on Sunday night, the idea is, presumably, not to fall flat on one's face as quickly as possible. So, why not sherry? Not too bitingly dry.

Buffet style is grand for this meal and a little shoving about to get at the food seems to draw people together, even families. Use two glass bowls, setting the smaller one in the larger packed with chopped ice. Fill the smaller one with scoops of jellied consommé, plain or madrilene, well set but not leathery, and garnished with chopped chives, fresh ground pepper and thin rounds of lemon. If you serve it in cups, a small topping of sour cream with horseradish and paprika and salt stirred in is surprisingly good. Hot cheese straws with this.

Now for the hots and colds:

Halibut fillets in white cream sauce with thin buttered slices of Dutch brown bread, a large dish of fresh spring onions . . . . Jellied tongue with sour cream sauce, chopped beet and cucumber salad, and hot buttered French bread. Or—

Hot casserole of flat noodles, corn and pork, tossed green salad . . . and cold salmon boiled with a herb bag of tarragon, bay leaf and cloves.

Why don't you mash a garlic bean in vinegar with salt and sugar and add the strained liquor to the mayonnaise used for the chopped beet and cucumber salad?

Why don't you put hard-cooked eggs with a sprig of parsley, in the bottom of the bowl you press the tongues in?

Why don't you add old Canadian cheese and a small jigger of sherry to the white sauce for the fish?

Why don't you try the following noodle recipe? (One large package of flat noodles serves six persons.)

For the sauce use 1 can of fancy quality creamed corn, 1 can cream of mushroom soup, ¼ pound nippy cheese, 1 garlic bean chopped fine, 1 flat tablespoon paprika, salt and pepper. Cut in one-inch cubes 1 pound of veal and ½ pound of pork, removing fat, and cook thoroughly and brown in an iron pan.

Mix all these ingredients, plus the cooked noodles, together and pour in a greased casserole. Top with grated cheese, sprinkle with finely chopped blanched almonds, and heat thoroughly before serving.

Not earthshakingly original, perhaps, but try and beat those combinations for supper appeal.

Repletion

If your idea of part of a well-spent Saturday is whipping up a large chocolate cake, don't let me deter you, because an occasional gorge on home-made chocolate cake is my idea of heaven. Our more refined professional lady bakers guard their product as carefully as cards for private audiences at the Vatican, or Buckingham Palace garden parties. However, I've discovered a good fifty cent iced spice or chocolate number serving six persons. It is available at one of our local chain confectioners and compares favorably with some of the cakes of revered memory that mother used to make. This, with lots of strong coffee and chilled beer, throughout the repast, brings us to repletion.

While I'll admit that none of these suggestions are world-shakers, they are practical and produceable, and can leave the hostess happy, the guests and family happy, Sunday night happy and even Monday morning happy, if you have sense enough to go home by eleven.

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Meals
More
Enjoyable
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● William Billingsley, most famous of English China painters, created the lovely rose design of the tea-pot shown above while at Coalport (1820-1822). It is known as "Billingsley Rose" and is painted on fine feldspar porcelain with leadless glaze. Photograph by courtesy of the Royal Ontario Museum.

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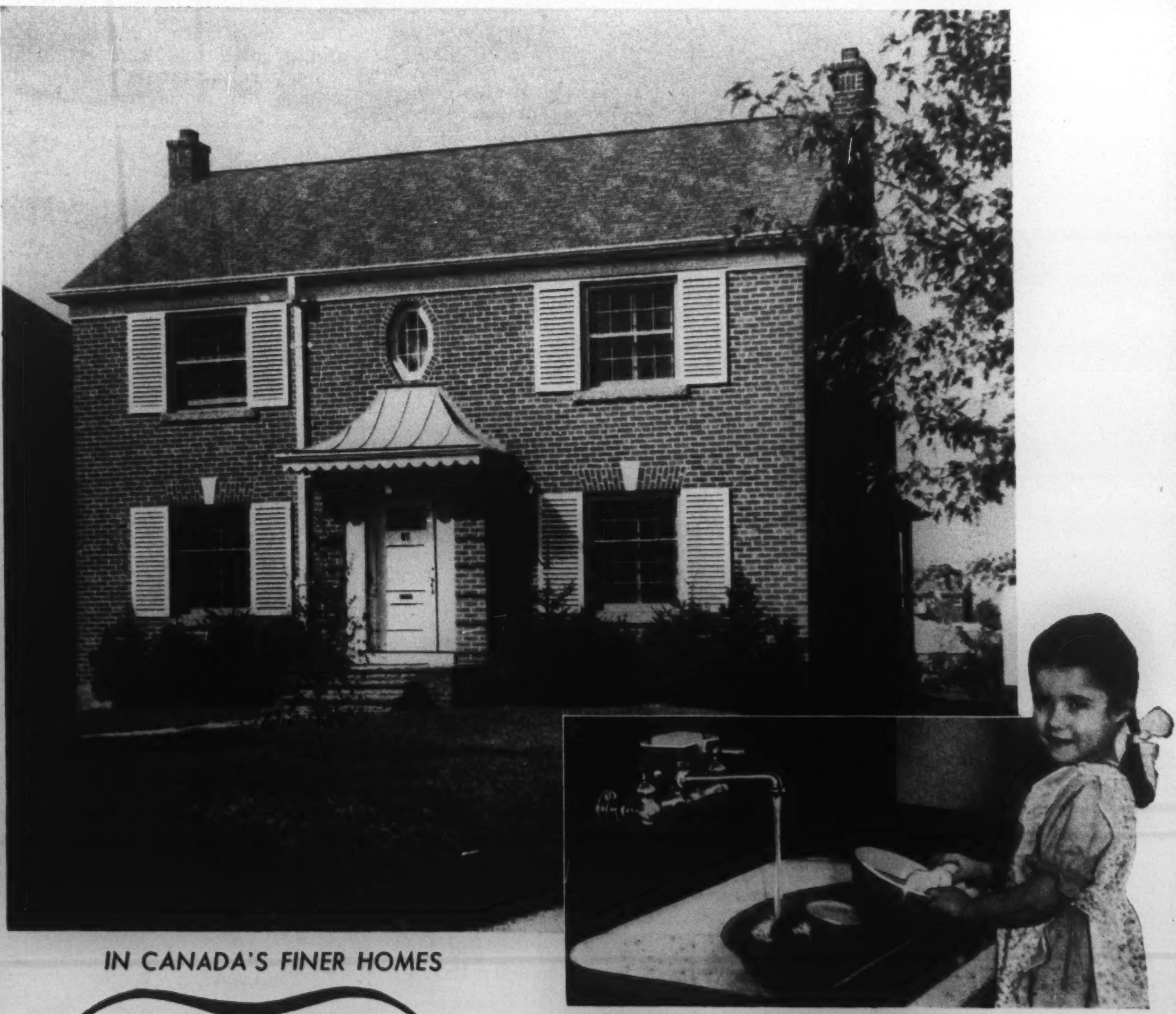

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LONDON LETTER

Keeping Irish Language Alive Is Hard on the Children

By P. O'D.

IT IS notoriously a long, long way to Tipperary. It is an equally long, or perhaps even longer way to Connemara, for it is a voyage not only in space but also, it seems, in time—a voyage into an earlier century. You leave the crowded streets of London, full of worried-looking people hurrying to their various destinations—probably to take their place in a queue of some sort—and you come to this lovely, lonely country of grey rock and brown bog, of hills and lakes and long arms of the sea, of unbelievable greens and blues, where the women still go wrapped in long black shawls, and most of the traffic along the roads is by donkey-cart, where the tiny stone cabins are still thatched and white-washed, and you easily get the feeling that you have slipped back a century or two, and that nothing really important has changed since the eighteenth.

Naturally enough, this impression is very soon and very considerably weakened by a stay in such a city as Galway, which is the metropolis of Connemara. Galway is a very busy place, especially on a market day. There are crowds in the streets, the shops are full of the sort of things the visitor from England has hardly seen for years—and hasn't had the coupons to buy if he did see them—and large, shiny American cars honk their way past the donkey-carts and the Connemara ponies.

None the less, the spirit of the eighteenth century seems to brood over Galway, too, or what we imagine the spirit of the eighteenth century to have been—something spacious and leisurely and intensely human that the modern world appears to have lost, or to be fast losing. The handsome, old-fashioned buildings have a good deal to do with it, for Galway is a beautiful and dignified city. And Galway is very conscious of its past, and the proud days when its harbor was filled with ships engaged in the Spanish trade.

But chiefly it is in the spirit and manners of the people themselves that the old ways seem to survive. They are so courteous and kindly and so unhurried. So humorous, too, but that, I suppose, is something one naturally takes for granted. Nowhere else have I seen people so ready to stand and talk and laugh. The sound of laughter is everywhere. And a great deal of the talking, by the way, is in Irish, for this part of Ireland (Eire) is still the land of the "Gaeltacht" (if I have spelled it correctly), the land of the Gaelic-speakers.

A Foreign Language

On a Connemara country road, if you ask your way, you may still be answered, as I was, by smiles and gestures to indicate that the person you have asked knows no English. Even those who talk English very often do so like people unaccustomed to its use; and their accent and intonation sound harsh and strange compared to the familiar soft Irish brogue. They are struggling with what is for them really a foreign language.

This is the case only along the western seaboard, among the hills of Donegal and Connemara, of Clare and Kerry, and around the wild and lovely bays and inlets, so numerous and so woven among the hills that it is hard to say where the land ends and the sea begins. In such places people do not readily forsake the ancestral ways, and Irish is still a living language. But in the rest of Ireland one gets the impression that Erse is a sort of national stunt, kept alive only by the sustaining hand of the government.

So long as progress in the various branches of the Civil Service and in the teaching profession is made dependent on passing examinations in Erse, it is obvious that young people will go on studying it. Besides, it is obligatory. It is the language of instruction in the schools—producing, I am told, some very queer contortions and innovations in this ancient language which has now suddenly to be modernized. Producing also, I imagine, some very stiff hurdles for little Irish boys and girls to take, except those few who hear it spoken in their own homes.

I had a chat with a very charming and intelligent little Irish girl of fourteen, a pupil at a nearby convent. I asked her about her course of study, and was astonished to hear that, in addition to Erse, she was learning French and Latin—these along with all the other usual subjects. History, she said, was taught in Erse, but geography in English; and they had a school library of books in Erse, which they were all expected to read.

It seemed to me a course of study which might well tax even a much more determined and ambitious scholar than this young lady appeared to be. She adopted a very light-hearted attitude towards the tasks that were set her. This may have been due to a remarkable gift for languages, but I formed the unworthy suspicion that it was more probably due to a remarkable gift for getting by with the minimum of effort, and that she was learning no more of all these languages than she had to. But she did say that she liked French very much, so perhaps she was doing well there. Latin she considered to be "turrible hard".

No one could be more critical than educated Irish people themselves of the effect of all this compulsory teaching of Erse on the general standards of education. They say it results in most children learning very little either of Erse or English and not much of anything else. No one could tell more amusing stories than they do, or laugh more heartily, about the absurdities which the attempt to revive the linguistic glory of the Gael constantly produces.

Don't Make the Jokes

At the same time, I had the feeling that many of them were at heart rather pleased that the effort was being made, and that they regarded it as an expression of national consciousness and pride. I discovered that in this, as in the case of many other Irish customs and institutions, it is wise to let the Irish make the jokes and do most of the laughing. They are a fiery as well as a gay and lovable people, and are apt to be sharply resentful of anything that sounds like unfavorable criticism from a stranger. But that is a characteristic not peculiar to the Irish.

In the course of even a mere fortnight's visit to Ireland the visitor has experiences and forms impressions which would fill several such letters as this; and I am aware that I have not touched at all on the many serious questions in which the reader might be interested, or the many lighter ones which might amuse him. In the hope that he will wish to read more about Ireland (and that the Editor will agree), I shall make it the subject of at least one more letter.

An exhibition to mark 100 years of electric lighting is being held at the Science Museum, London. "The Home of the Future" (above) shows the latest type of hidden wall-lighting, a lamp with swinging shade and, for decoration, an indoor garden with both low and climbing plants.

BRAIN-TEASER

Trouble Brewing

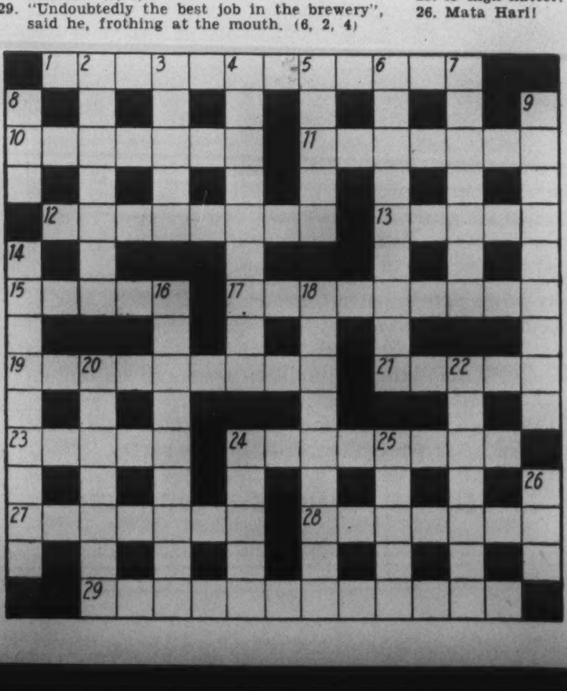
By LOUIS and DOROTHY CRERAR

ACROSS

1. If you want to remain thus, don't make the last while cracking the first. (4, 3, 5)
10. Where a meter provides good fare. (2, 1, 4)
11. You'll have to put Lamb to bed before he'll reveal her name.
12. Canadian press editor gives good advice for icy roads.
13. An ant by this or any name is still an ant.
15. What to do with a top note. (3, 2)
17. He explains.
19. Play by Maxwell Anderson which seems to suggest a chilly location.
21. Emily Carr's nickname.
23. The hangman knows his.
24. Heaven-knows-what in skin bags.
27. Wilde, Whistler and Disraeli were masters of this.
28. Phone Co. in which the rooster has a big interest. (3, 4)
29. "Undoubtedly the best job in the brewery", said he, frothing at the mouth. (6, 2, 4)

DOWN

2. The first male insect?
3. England the land of the free. (hidden)
4. Less noise will help to make it so.
5. The most important of Disraeli's novels.
6. What the average man does the last thing before going to bed.
7. Tim lied. (anagram)
8. Little bird in 15.
9. The best brew for the clergy?
14. End the war in confusion. (Trollope) (3, 6)
16. Erase rust from these valuables.
18. He tamed the shrew.
20. A blunt instrument, like a flat joke, has this to it. (2, 5)
22. Name one flower.
24. French River.
25. A high-hatter.
26. Mata Hari!



Solution for Last Week's Puzzle

ACROSS

1. Queen's birthday
9. Into air
10. Yellows
11. Intra
12. Sledging
14. Alexandra
15. Yoga
17. Eros
20. Interests
24. Insignia
25. Climb
27. Trident
28. Unusual
29. Victoria Regina

DOWN

1. Quirinal
2. Entitle
3. Niagara
4. Bert
5. Royal party
6. Holiday
7. Adoring
8. A sage
13. Administer
16. Isabella
18. Rossini
19. Segment
21. Recluse
22. Stimuli
23. Gifts
26. Tuna

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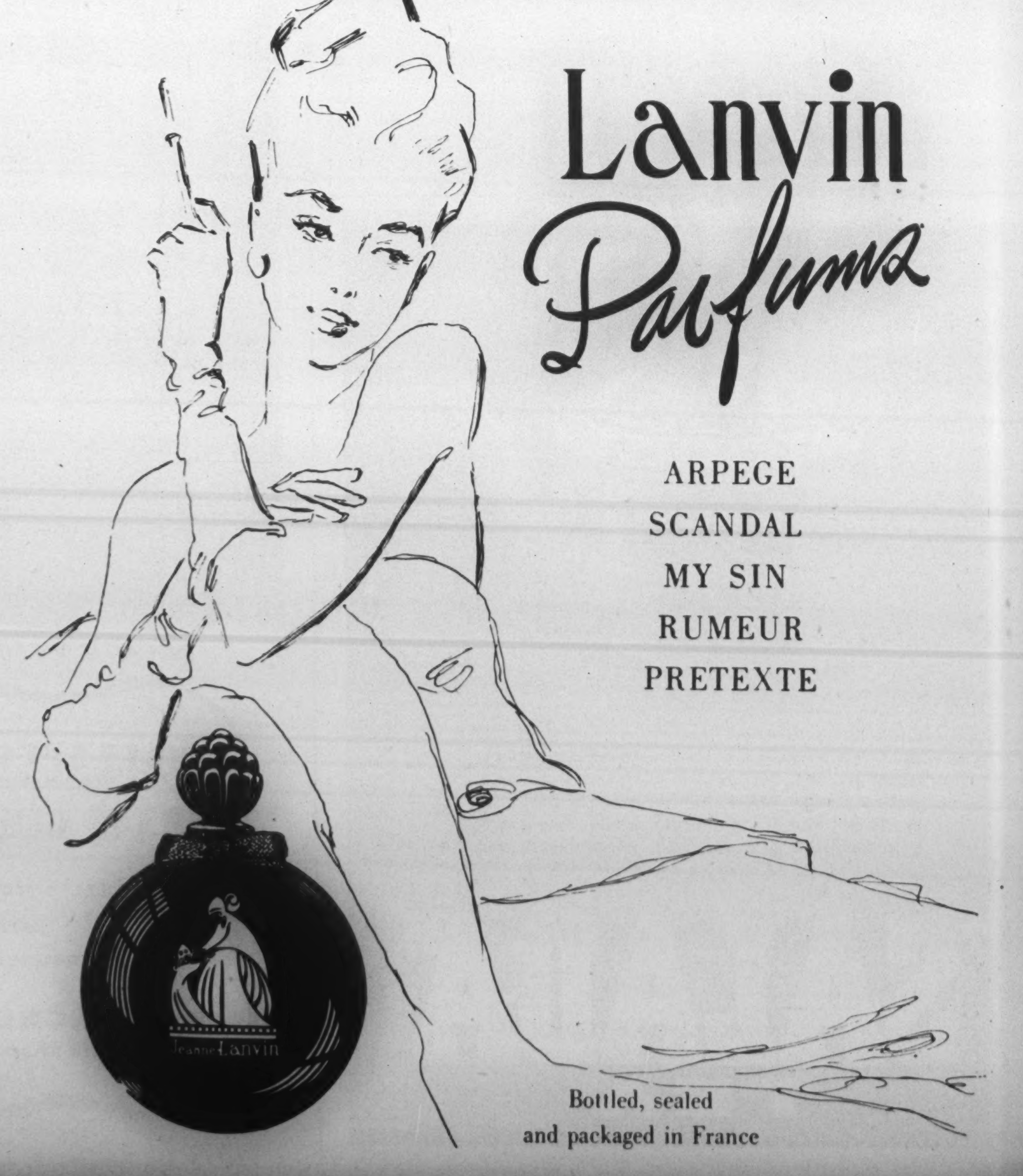

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OTHER PAGE

Those Unmeaning Names

By J. E. MIDDLETON

A NAME is so *permanent*. Small wonder that parents cogitate mightily, range through name-books, balance the claims of this aunt or that uncle, review the labels of ancestors of note, and, at last, in despair, settle on John or Mary. There may be a secondary name; for family pride, for friendship, for patriotism, or merely for euphony, but the primary one sticks, forever and ever.

Increase Mather has been dead a long time. It must be two centuries or more since he was President of Harvard, but his name sticks up from the annals of New England like a pine stump. And when Mr. and Mrs. Barebones in Cromwell's time, or thereabouts, called their son "Praise-God" they made a permanent room for him in English history.

There was a time when a given name had meaning. An Indian papoose jogged along a few years as, say, "Strongheart;" but if his developing character didn't quite match, some new and more fitting label, such as "Big Talker" was pasted on him. Survivals of the custom may be seen today in the schoolyard, when a mildly baptized "Christopher" may be known to his companions as "Butch."

But meaning departed long ago from the font. Names at best are just names, but they are the toughest fabric in all the world. And if the names of mortals are so persistent as to be indestructible what is to be said of street-names? The Appian Way continues for ages. Watling Street for a flock of centuries. Even Toronto people pay tribute to an amateur farmer of the George III period when they speak of Yonge Street. On April 23, 1793, Major E. B. Littlehales, military secretary to Lieutenant Governor Simcoe, wrote to the Secretary of the Agricultural Society of Upper Canada, saying that the Governor desired the Society's acceptance of a set of books entitled "Yonge on Agriculture."

Only church names have significance as well as durability. St. Paul's in London, St. Peter's in Rome, Notre Dame in Paris, as names, are eternal. The buildings may decay, but new ones will replace them, always with the same names, standing for high and memorable personalities who strode through the world to some purpose. All the older Christian rites, Roman, Byzantine, Coptic, Anglican, honor their churches by naming them after the saints, but in the Reformed communions the custom has often been honored in the breach of it.

Not that the nonconformist doesn't respect the saints; on the contrary. But his ancestors, when quarrels were sharp and heads were strong, sheered away, consciously and unconsciously as well, from established ecclesiastical custom. The conventicle on Aldersgate Street in time would become, perhaps, the Aldersgate Street Methodist Chapel. The Independents meeting at a house on Blank Street in time would build the Blank Street Congregational Church. The Presbyterians might honor Knox or Calvin or some other pioneer of their communion; they might even recognize St. Andrew, not many others in the Calendar. But in the majority of instances the Free Churches leaned heavily on Geography.

Long ago in Montreal St. James Street was "Great St. James Street" to distinguish it from a less notable thoroughfare of the same name. There was a Methodist Church not far from the present building of the Montreal *Star;* it was the Great St. James Street Methodist Church and was notable as the one and only in which a Methodist minister wore a pulpit gown. So it had, as congregations go, dignity and poise.

Time came when a larger church was a necessity. The old building was sold, most profitably, to advancing Business, and a new and beautiful building was erected on St. Catherine Street. But the old name meant much to the people; in some way it should be perpetuated. So the St. James Methodist Church came into being; the Saint sharing honors with Great St. James street; a rather curious juxtaposition.

Similarly, in Toronto, Gould Street Presbyterian Church was opposite the fine open area known as St. James' Square. Time came when the name was changed to St. James' Square Church. Now that congregation is united with the former Bond Street Congregational and is known as St. James-Bond—with no reference to the Square; only to the Saint.

So the Saints, even if not welcomed as warmly as one would expect, sometimes happen in. Indeed, as proof that there was never any conscious exclusion, let it be remembered that the first Presbyterian church in Montreal was St. Gabriel's.

Maybe new churches will follow ancient custom by leafing through the Saints' Calendar to find names of significance. And maybe they won't.

COUNTRY-BRED

SCANNING his city with twofold sight, his glance
Cocks weatherward, translates in wider terms
Tempest and drought. Hands that were strong on axe,
Stanchion, rein, soon curve to the urban tap,
Are quick on impersonal button and switch; and yet
He has only to slide through a certain swinging door
And rustic as crows or an old snake-fence, he scuffs
Pavement, stumbles on curbs, mistakes the lights
And tangles in traffic his jay-walking country self.

Breathing two worlds, he plans his angled walls,
Buildings cubed for use on level floors—
Only to find foundations spreading fantastic
Thirsty roots, while scaffolding fans demure
Leafy anachronisms. O romance!
His tautest wires are atwitter with birds' calls;
Trim lawn reverts to pasture, and his streets
Are split and heaved by relentless hands of grass.

Incurably rural, he curls at night in a haycock,
While wheels of his mind in first sleep slowing
To a horsejog, softly jog in known ruts.
Winds, that tipped his boughs to this new life
Have twisted roots more deep in loam; O there
Thought's green blood returns through midnight's winter
And sucks old strength from that enduring earth
For morning's verdancy of word and deed.

ELIZABETH K. CAMPBELL

TAFFETA
GOES SWIMMING

You have danced and partied in it . . . now you can swim in it. Sun-and-shadow-striped rayon taffeta . . . bare-shouldered and beautiful as a ball dress. Wired to hug your ribs and bring glamour to a sun-dappled pool. An example of the bathing suits on the brink of summer at EATON'S

THE BUSINESS FRONT

Business • Finance • Insurance SATURDAY NIGHT, TORONTO, CANADA, MAY 29, 1948 *P. M. Richards, Financial Editor*

Low Interest Rates Inflationary But High Taxes Act As Curb

By R. CRAIG McIVOR

In Saturday Night (May 15) Mr. Courtland Elliott claimed that the federal government should reduce taxes now, and restrict the growth of further expenditures which we might not be able to reduce in depression. Heavy debts cause heavy taxes, which create a real burden on the community. The writer of this article disagrees with this argument.

The budget of the federal government should be balanced over the business cycle; it is in using the financial power of the government in such a way as to mitigate the evils of falling wages and prices leading to a depression that hope of business stability may be found.

Dr. McIvor, Associate Professor of Economics at Hamilton's McMaster University, claims that debt is not overly dangerous and that it is not the high level of government expenditure that is the cause of the present inflation. The interest rate structure must bear a portion of the blame for the inflationary pressure.

THE rapid and steady rise in Canadian prices and wages since World War II has produced a variety of explanations of inflation, both of its causes and of its cures. This is readily understandable, for the effects of inflation pervade our entire economy.

The one of the most recent pronouncements designed to guide an anxious public through the complexities of the inflation problem appeared in the columns of SATURDAY NIGHT (May 15) by Mr. Courtland Elliott. All of us are immediately and urgently concerned with curbing inflation; the energetic exposition by Mr. Elliott reflects not only light but considerable heat. I should like to reconsider his views on the relationship between federal financial policy and the present inflation, and to register some objections.

To begin with, let us review some of the facts. The origins of our present inflation are found in the war and postwar years and particularly in the monetary and financial policies of the federal government. Approximately 45 per cent of the government's total cash requirements were met from taxation and other revenue, while 55 per cent came from borrowing. Since a significant proportion of these borrowed funds was provided by the banking system, the total quantity of money increased substantially, from approximately $3 billion to $7 billion. The relatively successful restriction of wartime inflation was made possible by the great increase in Canadian productive capacity, and by the government's program of price and wage controls which effectively supplemented its financial policies.

The "Burden" of the Debt

The relatively low structure of interest rates maintained during these years represented a continuation of the "easy-money" policy first introduced to stimulate recovery in the early 1930's, and its use in World War II was designed ostensibly to minimize interest costs on our rapidly increasing national debt. It should be recognized, however, that to minimize wartime interest costs is not necessarily to minimize the "burden" of the national debt, but the question is too complex for present discussion. The direct unmatured funded debt of Canada expanded from approximately $3.7 billion to $16.8 billion between the outbreak of the war and the end of fiscal year 1946. However seriously one may disagree with government interest policy, it is fair to observe that the wartime addition to the debt would have been substantially the same even if interest rates had been higher, for both the government's demand for funds and the supply forthcoming from the public are fixed by war needs and are little affected by interest rates.

During the past two years, the cost-of-living and wholesale price indexes have risen more than during the entire war period. The explanation is necessarily complex, but looking beyond the persistent postwar tendency toward further increase in the already expanded quantity of money, one can see a variety of causes. The intense competition among Canadian producers and consumers for the use of scarce materials and labor rises in the United States, the removal of wartime subsidies and price controls, the uneconomic wage demands pressed by various labor groups, and the financing of exports on credit, for which no goods are received in return. If our interest in the analysis of economic problems rests in the possibility of controlling them, the diagnosis of inflation as simply "a disease that originates in the fiscal and monetary policies of governments" is surely inadequate and of little practical value.

The increase in the national debt of Canada is caused by two major factors: wars and depressions; debt charges are a major share of the fixed or uncontrollable public expenditures which confront our federal government at the present time. This volume has been increased substantially by the financing of World War II, with its inevitable recourse to borrowing. The problems presented by the existence of these fixed charges are indeed serious in any economy such as Canada's, where the national income has been subject to very wide fluctuations.

It would therefore be idle to maintain that our greatly increased public debt should not be a cause for general concern, and I suspect that few informed persons would subscribe to this care-free philosophy. Thus, in finding vigorous attack being made on the proposition that ". . . . government debt is not burdensome because we owe the principal and interest to each other and not to foreigners", one is led to suspect that it is only a somewhat ungrammatical straw man who is being assaulted. This is not to deny, of course, that a domestically held debt is not much to be preferred to one of foreign ownership, and in this respect the accomplishment of World War II finance in reducing our foreign-held debt to 1 per cent of the total debt was highly desirable.

"New Look" Budgeting

The view that long-run increase in the normal expenditures of the federal government has represented travel down a oneway street seems beyond dispute. If I understand Mr. Elliott's exposition correctly, he argues that while we should not be too much concerned about the scale of uncontrollable expenditures already developed (an unduly comforting injunction), we should resist with the utmost vigor any further overall expansion of federal government outlays.

This will receive widespread support, but it is unfortunately tied gratuitously to the suggestion that the only way to stop expansion lies in the immediate reduction of the level of federal government tax collections and in the elimination of present surpluses. This point brings us to the nub of the "new look" which has apparently been perceived in public finance: balancing the federal budget over the business cycle rather than year by year.

Can we return to annually balanced budgets?

We are told by way of introduction that budgets are now designed to achieve social purposes. If this represented a recent development it would indeed be astounding, for one might then well ask what has been the purpose of government expenditure in earlier times. In the course of a discussion which condemns progressive taxation, erroneously identifying it with a policy of "soak the rich", (a policy which now gains about as much credence as that of denying the economic significance of the public debt), the writer of the earlier article argues by implication for the abandonment of the idea of cyclical financing.

Unfortunately, the problem of economic fluctuations was not solved in the good old days, and with our federal budget having became enormously expanded in recent years, fiscal policy has become a powerful weapon which may be employed for good or ill. It is simply no longer possible to ignore the effects of government taxing, borrowing and spending on the economy, and these weapons must be employed with a view to minimizing economic fluctuations. That they are not so employed when the government is committed to balance its budget over an arbitrary and economically meaningless period of one year scarcely needs emphasis.

What should a friend of freedom be arguing for these days? The sincere advocate of an economy organized on the basis of free competition will agree that the proper economic function of government is to establish (re-establish!) and maintain those conditions under which competition may effectively operate. It is unfortunate indeed that some of the supporters of free competition interpret their *"laissez-faire"* philosophy so narrowly as to deny to government the use of legitimate fiscal weapons.

It is precisely in this field that the government may intervene impersonally and avoid the ultimately disastrous practice of regulating individual prices. But such intolerable interference will certainly be inevitable if more expedient and efficacious methods are denied to government.

Let us note once again that the basic remedy for inflation suggested by Mr. Elliott is to reduce immediately the levels of government tax revenues, and to eliminate current surpluses ("we seem willing to accept the delusion that taxes cannot be reduced because of inflationary pressures"). This argument clearly implies that by restricting the supply of available risk capital, existing tax levels are themselves an inflationary influence. It is of course apparent to all that the Canadian tax system needs improvement; unfortunately this will be possible only when the allocation of taxing powers between the federal and the provincial governments has been established on much sounder basis.

Should Taxes Be Cut?

Should we reduce taxes? Inflatio is the problem which is presentl with us, the short-run problem whic demands our attention now. Unde such circumstances immediate tax reduction is extremely undesirable. Mr Elliott would reduce taxes now, presumably to stimulate capital expa sion, increase real income and thereb lessen inflationary pressures. B with the Canadian economy operatin at substantially full employmen further appreciable expansion i physical output is not possible.

The argument that inflation ca now be checked by "more productio simply does not make sense unde present conditions. What is urgent required is a curtailing of furth capital expansion, not an increas Far from being a cause for lament tion, the current difficulties encou tered in equity financing might be encouraging sign were it not for t fact that the expansion of product capacity continues apace on an ev less desirable basis, i.e. financed new money provided by the bank system.

For this, the government's inter rate policy must bear a large sh of the blame. The persistent and co tinuing support of federal bond pri by the Bank of Canada (although somewhat lower levels in rec months) is simply inconsistent w the desire to curb inflation. The tirement of federal debt held by banking system, while eminently sirable in itself, has failed to red the quantity of money available any substantial degree, because of fact that the banks' investments t liquidated have been replaced by panding loans, both to business to consumers.

An interest rate policy which appropriate to the depressed co tions of the early and mid-1930's Canada cannot be appropiate u present conditions of full emp ment. Like its causes, the reme for inflation must be varied, but gently required is the maintenanc the government of its existing all levels of tax revenues, the tinued retirement of bank-held from its accruing surpluses, and abandonment of the present sup level for federal obligations, in o that the central bank may be ab remove from the chartered banks excess reserves which arise from retirement of the federal debt o by those institutions.

THE BUSINESS ANGLE

Mr. Abbott Disappoints Us

By P. M. RICHARDS

EVERYONE will remember past proposals that we seek to prevent "booms and busts" by having the government raise taxes and withhold public works in prosperous times, and lower taxes and start public works in bad times. We'd save up money and employment in good times to help tide us over a following leaner period. This idea has won wide approval when offered at a moment when no tax-boosting or halting of public works projects was in prospect. But it's remarkable how universally unpopular it is when actually put into effect, no matter how lush the times may be.

Finance Minister Douglas Abbott has sadly disappointed most Canadians by not cutting taxes, or cutting them extremely minutely, despite a substantial surplus in the last fiscal year. This column's opinion, for what it is worth, is that he has acted constructively and honestly and courageously and deserves applause. But he gets only the cynical comment that it's lucky the federal government doesn't have to hold an election this year.

The general idea of increasing taxes in periods of prosperity and reducing them in depression or rather when depression is threatening, is of course an entirely sensible one. To be satisfactorily effective in Canada, dependent on foreign trade for about one-third of its employment and national income, it would need to be accompanied by similar action in other trading countries, but unquestionably it would be an important stabilizer.

Vary Insurance Payments

In both Britain and the United States it has been proposed to go beyond the manipulation of taxes and public works programs, by varying periodically the amounts of employers' and employees' social insurance contributions in accordance with the changing levels of industrial activity and employment, so that the amount paid in would rise when times were good and decline when they were becoming not so good.

The British plan calls for the standard rate of contribution to be calculated on the basis of a forecast of the average level of unemployment. But the rate of contribution actually levelled would be higher than the standard rate when unemployment was unusually low, and less than the standard rate when unemployment was above the average. This aid to maintenance of purchasing power would reduce substantially, it is believed, the variations in total expenditure and employment.

Whatever the amount of wisdom in all this, it is, as we all know, precisely the opposite of what we have always done in the past. Our governments have spent freely in prosperous periods and sharply reduced their spending in depression. Corporation managements have done the same, and so have individuals. By so doing they have strongly accentuated each trend. They have pushed the boom higher, increased the force of the following down movement, and deepened the valley of depression. This was silly, of course, but it does not follow that it is easy to stop being silly. On the record of today, is there any reason to believe that the people are willing, in good times, to pay higher taxes than are actually needed for current requirements, in order to build a reservoir of purchasing power against a future depression that may never come?

But Who Will Say When?

Who will do the planning, and do it soundly? It is the omniscience of hindsight that tells us that the late 1920's were boom years when we should have been laying up a store of nuts against the winter of the early 1930's. At the time we talked of a "new era of prosperity" that was never going to end, because of the social-economic benefits coming from the progressive technical advances of industry.

Would citizens possessed of shiny new automobiles have consented to indefinite postponement of the construction of new motor highways, on the ground that there was an excess of purchasing power at that time and there might be a deficiency later? It doesn't seem likely. Few if any persons in 1929 thought they had too much purchasing power; most wanted more. And no one then knew that the need for public spending to sustain the economy would be what it actually was in 1931 and 1932.

What prescient authority would determine when social insurance contributions and taxation were to be increased, how much they should be increased, how long the increase should run, and conversely when and how much they should be reduced? Could that authority keep free from political pressures? Could it manage to convince the prospective beneficiaries from some planned public work, locally considered immediately necessary, of the wisdom of postponing it in order to provide work in a possible future depression? Could governments manage to refrain from using the reserve fund, when created, as a means of winning or retaining votes?

Would Mr. Abbott, brave as he is, do what he has done in an election year?

European Clearing Plan May Revive "Bancor"

By **JOHN L. MARSTON**

Saturday Night's Correspondent in London

A European currency plan based on Lord Keynes' "Bancor" scheme shows signs of life. The institutions set up at Bretton Woods—the International Monetary Fund and the International Bank—have been unsuccessful in solving the dollar problem and are being largely replaced by the Marshall Plan. Countries of the Western European Union may try to establish a local currency clearing organization with a common monetary unit. This will create special difficulties for the United Kingdom and for the sterling area as a whole.

ondon.

ORD KEYNES, leading advocate in Britain of liberal credit policies, d a profound influence on monetary licy during his lifetime, and his in-ence is reviving some two years ter his death. In Britain, and in stern Europe generally, the possi-ities of Keynes' "Bancor" cur-ncy have been under active dis-ssion in financial and business cir-s. The British Chancellor of the chequer was reported in the Euro-an newspapers not long ago as ad-cating some such system of inter-ional currency clearing as Lord ynes envisaged, and the Prime nister had to explain to Parliament t the Chancellor was not express- official British policy—nor could be official policy until broad dis-sions had taken place with other wers.

t is not difficult to understand why, r lying dormant since it was re-ted by the U.S.A. late in the war, "Bancor" plan is now showing ns of life. The Bretton Woods ans, accepted alternative to the nes plan, have manifestly failed orrect the monetary disharmonies of Europe and to expand trade as intended.

The Marshall plan, whereby America takes the responsibility for European recovery more directly on her shoulders, has been presented in clear enough detail to make it apparent that the problem of international payments, though temporarily eased, will not be thereby solved; yet at the same time the limited benefits of the International Monetary Fund, the Bretton Woods organ which has been of most practical assistance hitherto, have been withheld from the countries receiving "Marshall aid."

The financial discussions of Britain, France, and the "Benelux" countries, in Brussels in April, intended to grapple with the European currency problem as a whole, were more successful in revealing the magnitude of the dollar shortage than in overcoming the problem. In terms simply of dollars, therefore, Europe can see no way out of its difficulties, and people are inclined to look to a new monetary unit such as "Bancor."

Create Currency

The specific characteristic of "Bancor" is typically Keynesian. It is credit-creation to facilitate trade, internationally. The international clearing institution, whose constitution would be roughly comparable with those of the World Fund and Bank, would be empowered to create and allocate the currency needed for imports by countries which lacked foreign exchange. In this respect it would differ fundamentally from the Bretton Woods organs, whose function, essentially, is to reallocate currency which already exists.

The Bretton Woods idea, in its pristine form, aimed at 19th-century freedom of trade in a 20th-century setting. Orthodox economists gave it their blessing, as a means whereby the barriers to trade set up by nations individually might be broken down by nations collectively. Unfortunately, now that the big movement of goods which naturally occurred after the years of wartime restraint is subsiding, it is evident that trade is tending to contract, not to expand. More and more countries, in an effort to conserve their scarce foreign exchange, have excluded inessential items from their import lists.

Import Restriction

The process is inevitably cumulative. It can be traced back to the restrictions on imports into the U.S.A. itself, by the high tariff structure. This is one of the major reasons why Bretton Woods has failed to produce obvious results. In the period of liberal trade when sterling was the principal currency, Britain imported freely, and there was consequently no sterling famine in any way comparable with the dollar famine which is the characteristic of the postwar currency situation.

The idea of the latest exponents of the "Bancor" system is to break out of this dollar *impasse*. Adopted on a limited scale, say in Western Europe, the system could be only partly successful, but it would undoubtedly ensure more economical use of existing dollar resources. Within the "Bancor bloc" no country would have to pay another in dollars, as is often necessary now, and all their dollars would be available for payments to the Western Hemisphere, while trade within the "Bancor area" was unrestricted by currency shortage as between one member and another.

This is not, however, a problem which can be treated in the abstract. In a certain sense, the "Bancor" idea transcends Bretton Woods, in that it transcends orthodoxy. In another sense, as advocated at present, it falls far short of Bretton Woods, which set up, in form at least, a world-scale organization. It is true that the Americans have tended themselves to sidetrack the Bretton Woods organs in favor of direct bilateral action, but they have not abandoned the concept; and it is most unlikely that they would favor an alternative monetary arrangement while the Bretton Woods set-up still existed—particularly when that alternative arrangement has already been rejected. Nor is it at all clear how a "Bancor" area focussed on Western Europe would dovetail into the sterling area.

Britain, as the linch-pin of both systems, might be very awkwardly placed, for countries with surplus "Bancor" would be tempted to buy through Britain the primary products for which they would have to pay sterling if they bought them direct from the other sterling countries; there would be a tendency, therefore, for Britain to accumulate "Bancor" and for other sterling countries to accumulate equivalent sterling balances in Britain.

The "Keynes plan" is at least worth serious discussion at the highest levels. It may be inapplicable in its simple form; but it is increasingly apparent that, if only as an interim measure, some form of clearing is needed which involves no settlement in gold or dollars.

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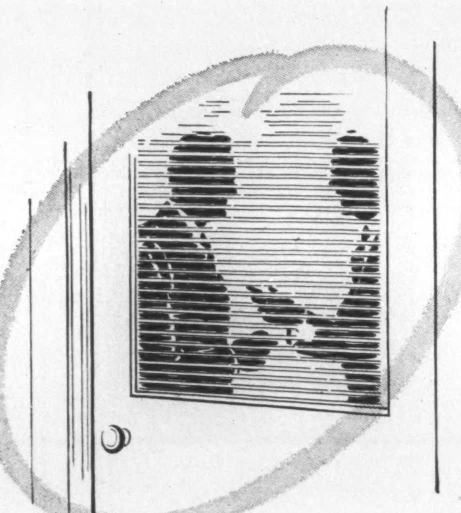

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THE BUSINESS FRONT

Business • Finance • Insurance SATURDAY NIGHT, TORONTO, CANADA, MAY 29, 1948 *P. M. Richards, Financial Editor*

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By R. CRAIG McIVOR

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We are told by way of introduction that budgets are now designed to achieve social purposes. If this represented a recent development it would indeed be astounding, for one might then well ask what has been the purpose of government expenditure in earlier times. In the course of a discussion which condemns progressive taxation, erroneously identifying it with a policy of "soak the rich", (a policy which now gains about as much credence as that of denying the economic significance of the public debt), the writer of the earlier article argues by implication for the abandonment of the idea of cyclical financing.

Unfortunately, the problem of economic fluctuations was not solved in the good old days, and with our federal budget having became enormously expanded in recent years, fiscal policy has become a powerful weapon which may be employed for good or ill. It is simply no longer possible to ignore the effects of government taxing, borrowing and spending on the economy, and these weapons must be employed with a view to minimizing economic fluctuations. That they are not so employed when the government is committed to balance its budget over an arbitrary and economically meaningless period of one year scarcely needs emphasis.

What should a friend of freedom be arguing for these days? The sincere advocate of an economy organized on the basis of free competition will agree that the proper economic function of government is to establish (re-establish!) and maintain those conditions under which competition may effectively operate. It is unfortunate indeed that some of the supporters of free competition interpret their *"laissez-faire"* philosophy so narrowly as to deny to government the use of legitimate fiscal weapons.

It is precisely in this field that the government may intervene impersonally and avoid the ultimately disastrous practice of regulating individual prices. But such intolerable interference will certainly be inevitable if more expedient and efficacious methods are denied to government.

Let us note once again that the basic remedy for inflation suggested by Mr. Elliott is to reduce immediately the levels of government tax revenues, and to eliminate current surpluses ("we seem willing to accept the delusion that taxes cannot be reduced because of inflationary pressures"). This argument clearly implies that by restricting the supply of available risk capital, existing tax levels are themselves an inflationary influence. It is of course apparent to all that the Canadian tax system needs improvement; unfortunately this will be possible only when the allocation of taxing powers between the federal and the provincial governments has been established on much sounder basis.

Should Taxes Be Cut?

Should we reduce taxes? Inflation is the problem which is presently with us, the short-run problem which demands our attention now. Under such circumstances immediate tax reduction is extremely undesirable. Mr. Elliott would reduce taxes now, presumably to stimulate capital expansion, increase real income and thereby lessen inflationary pressures. But with the Canadian economy operating at substantially full employment, further appreciable expansion in physical output is not possible.

The argument that inflation can now be checked by "more production" simply does not make sense under present conditions. What is urgently required is a curtailing of further capital expansion, not an increase. Far from being a cause for lamentation, the current difficulties encountered in equity financing might be an encouraging sign were it not for the fact that the expansion of productive capacity continues apace on an even less desirable basis, i.e. financed by new money provided by the banking system.

For this, the government's interest rate policy must bear a large share of the blame. The persistent and continuing support of federal bond prices by the Bank of Canada (although at somewhat lower levels in recent months) is simply inconsistent with the desire to curb inflation. The retirement of federal debt held by the banking system, while eminently desirable in itself, has failed to reduce the quantity of money available in any substantial degree, because of the fact that the banks' investments thus liquidated have been replaced by expanding loans, both to business and to consumers.

An interest rate policy which was appropriate to the depressed conditions of the early and mid-1930's in Canada cannot be appropiate under present conditions of full employment. Like its causes, the remedies for inflation must be varied, but urgently required is the maintenance by the government of its existing overall levels of tax revenues, the continued retirement of bank-held debt from its accruing surpluses, and the abandonment of the present support-level for federal obligations, in order that the central bank may be able to remove from the chartered banks the excess reserves which arise from the retirement of the federal debt owned by those institutions.

THE BUSINESS ANGLE

Mr. Abbott Disappoints Us

By P. M. RICHARDS

EVERYONE will remember past proposals that we seek to prevent "booms and busts" by having the government raise taxes and withhold public works in prosperous times, and lower taxes and start public works in bad times. We'd save up money and employment in good times to help tide us over a following leaner period. This idea has won wide approval when offered at a moment when no tax-boosting or halting of public works projects was in prospect. But it's remarkable how universally unpopular it is when actually put into effect, no matter how lush the times may be.

Finance Minister Douglas Abbott has sadly disappointed most Canadians by not cutting taxes, or cutting them extremely minutely, despite a substantial surplus in the last fiscal year. This column's opinion, for what it is worth, is that he has acted constructively and honestly and courageously and deserves applause. But he gets only the cynical comment that it's lucky the federal government doesn't have to hold an election this year.

The general idea of increasing taxes in periods of prosperity and reducing them in depression or rather when depression is threatening, is of course an entirely sensible one. To be satisfactorily effective in Canada, dependent on foreign trade for about one-third of its employment and national income, it would need to be accompanied by similar action in other trading countries, but unquestionably it would be an important stabilizer.

Vary Insurance Payments

In both Britain and the United States it has been proposed to go beyond the manipulation of taxes and public works programs, by varying periodically the amounts of employers' and employees' social insurance contributions in accordance with the changing levels of industrial activity and employment, so that the amount paid in would rise when times were good and decline when they were becoming not so good.

The British plan calls for the standard rate of contribution to be calculated on the basis of a forecast of the average level of unemployment. But the rate of contribution actually levelled would be higher than the standard rate when unemployment was unusually low, and less than the standard rate when unemployment was above the average. This aid to maintenance of purchasing power would reduce substantially, it is believed, the variations in total expenditure and employment.

Whatever the amount of wisdom in all this, it is, as we all know, precisely the opposite of what we have always done in the past. Our governments have spent freely in prosperous periods and sharply reduced their spending in depression. Corporation managements have done the same, and so have individuals. By so doing they have strongly accentuated each trend. They have pushed the boom higher, increased the force of the following down movement, and deepened the valley of depression. This was silly, of course, but it does not follow that it is easy to stop being silly. On the record of today, is there any reason to believe that the people are willing, in good times, to pay higher taxes than are actually needed for current requirements, in order to build a reservoir of purchasing power against a future depression that may never come?

But Who Will Say When?

Who will do the planning, and do it soundly? It is the omniscience of hindsight that tells us that the late 1920's were boom years when we should have been laying up a store of nuts against the winter of the early 1930's. At the time we talked of a "new era of prosperity" that was never going to end, because of the social-economic benefits coming from the progressive technical advances of industry.

Would citizens possessed of shiny new automobiles have consented to indefinite postponement of the construction of new motor highways, on the ground that there was an excess of purchasing power at that time and there might be a deficiency later? It doesn't seem likely. Few if any persons in 1929 thought they had too much purchasing power; most wanted more. And no one then knew that the need for public spending to sustain the economy would be what it actually was in 1931 and 1932.

What prescient authority would determine when social insurance contributions and taxation were to be increased, how much they should be increased, how long the increase should run, and conversely when and how much they should be reduced? Could that authority keep free from political pressures? Could it manage to convince the prospective beneficiaries from some planned public work, locally considered immediately necessary, of the wisdom of postponing it in order to provide work in a possible future depression? Could governments manage to refrain from using the reserve fund, when created, as a means of winning or retaining votes?

Would Mr. Abbott, brave as he is, do what he has done in an election year?

European Clearing Plan May Revive "Bancor"

By JOHN L. MARSTON

Saturday Night's Correspondent in London

A European currency plan based on Lord Keynes' "Bancor" scheme shows signs of life. The institutions set up at Bretton Woods—the International Monetary Fund and the International Bank—have been unsuccessful in solving the dollar problem and are being largely replaced by the Marshall Plan. Countries of the Western European Union may try to establish a local currency clearing organization with a common monetary unit. This will create special difficulties for the United Kingdom and for the sterling area as a whole.

London.

LORD KEYNES, leading advocate in Britain of liberal credit policies, had a profound influence on monetary policy during his lifetime, and his influence is reviving some two years after his death. In Britain, and in Western Europe generally, the possibilities of Keynes' "Bancor" currency have been under active discussion in financial and business circles. The British Chancellor of the Exchequer was reported in the European newspapers not long ago as advocating some such system of international currency clearing as Lord Keynes envisaged, and the Prime Minister had to explain to Parliament that the Chancellor was not expressing official British policy—nor could it be official policy until broad discussions had taken place with other powers.

It is not difficult to understand why, after lying dormant since it was rejected by the U.S.A. late in the war, the "Bancor" plan is now showing signs of life. The Bretton Woods organs, accepted alternative to the Keynes plan, have manifestly failed to correct the monetary disharmonies of Europe and to expand trade as intended.

The Marshall plan, whereby America takes the responsibility for European recovery more directly on her shoulders, has been presented in clear enough detail to make it apparent that the problem of international payments, though temporarily eased, will not be thereby solved; yet at the same time the limited benefits of the International Monetary Fund, the Bretton Woods organ which has been of most practical assistance hitherto, have been withheld from the countries receiving "Marshall aid."

The financial discussions of Britain, France, and the "Benelux" countries, in Brussels in April, intended to grapple with the European currency problem as a whole, were more successful in revealing the magnitude of the dollar shortage than in overcoming the problem. In terms simply of dollars, therefore, Europe can see no way out of its difficulties, and people are inclined to look to a new monetary unit such as "Bancor."

Create Currency

The specific characteristic of "Bancor" is typically Keynesian. It is credit-creation to facilitate trade, internationally. The international clearing institution, whose constitution would be roughly comparable with those of the World Fund and Bank, would be empowered to create and allocate the currency needed for imports by countries which lacked foreign exchange. In this respect it would differ fundamentally from the Bretton Woods organs, whose function, essentially, is to reallocate currency which already exists.

The Bretton Woods idea, in its pristine form, aimed at 19th-century freedom of trade in a 20th-century setting. Orthodox economists gave it their blessing, as a means whereby the barriers to trade set up by nations individually might be broken down by nations collectively. Unfortunately, now that the big movement of goods which naturally occurred after the years of wartime restraint is subsiding, it is evident that trade is tending to contract, not to expand. More and more countries, in an effort to conserve their scarce foreign exchange, have excluded inessential items from their import lists.

Import Restriction

The process is inevitably cumulative. It can be traced back to the restrictions on imports into the U.S.A. itself, by the high tariff structure. This is one of the major reasons why Bretton Woods has failed to produce obvious results. In the period of liberal trade when sterling was the principal currency, Britain imported freely, and there was consequently no sterling famine in any way comparable with the dollar famine which is the characteristic of the postwar currency situation.

The idea of the latest exponents of the "Bancor" system is to break out of this dollar *impasse*. Adopted on a limited scale, say in Western Europe, the system could be only partly successful, but it would undoubtedly ensure more economical use of existing dollar resources. Within the "Bancor bloc" no country would have to pay another in dollars, as is often necessary now, and all their dollars would be available for payments to the Western Hemisphere, while trade within the "Bancor area" was unrestricted by currency shortage as between one member and another.

This is not, however, a problem which can be treated in the abstract. In a certain sense, the "Bancor" idea transcends Bretton Woods, in that it transcends orthodoxy. In another sense, as advocated at present, it falls far short of Bretton Woods, which set up, in form at least, a world-scale organization. It is true that the Americans have tended themselves to sidetrack the Bretton Woods organs in favor of direct bilateral action, but they have not abandoned the concept; and it is most unlikely that they would favor an alternative monetary arrangement while the Bretton Woods set-up still existed—particularly when that alternative arrangement has already been rejected. Nor is it at all clear how a "Bancor" area focussed on Western Europe would dovetail into the sterling area.

Britain, as the linch-pin of both systems, might be very awkwardly placed, for countries with surplus "Bancor" would be tempted to buy through Britain the primary products for which they would have to pay sterling if they bought them direct from the other sterling countries; there would be a tendency, therefore, for Britain to accumulate "Bancor" and for other sterling countries to accumulate equivalent sterling balances in Britain.

The "Keynes plan" is at least worth serious discussion at the highest levels. It may be inapplicable in its simple form; but it is increasingly apparent that, if only as an interim measure, some form of clearing is needed which involves no settlement in gold or dollars.

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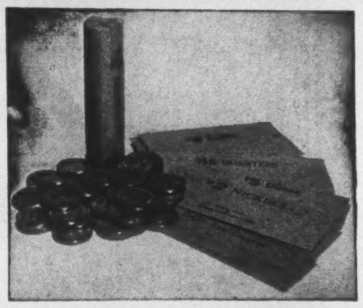

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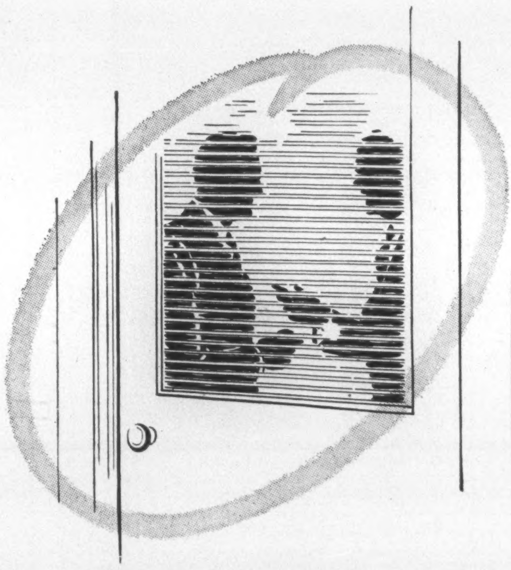

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NEWS OF THE MINES

Iron Ore Production In Canada Headed For Big Expansion

By JOHN M. GRANT

A GAIN of 25 per cent over the previous year was shown in Canada's output of iron ore in 1947, and expectations are that the production of high grade iron ore will expand considerably during the next few years. The Dominion had no production of iron ore from 1923 to 1938, while the following year the output of sinter from the Helen mine, in the Michipicoten area, totalled 109,000 tons, with the Steep Rock Iron Mines making its initial shipment in 1944. A very large tonnage of hematite has been proved by diamond drilling in the Labrador-Quebec boundary area, but until this field commences shipments, the production of iron ore in Canada is likely to be confined to the two Ontario districts, namely Steep Rock, 150 miles west of Port Arthur, and Michipicoten, northeast of Lake Superior.

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The 1947 shipments from the two operating iron mines in Ontario, Steep Rock and Helen, totalled 1,805,927 tons, of which 1,206,248 came from Steep Rock and 599,679 from the Helen mine. Of this output about one-fifth was used in Canadian furnaces and four-fifths exported to the United States. As the Canadian iron ores are all high in grade and thus high in price, it is more profitable for the Canadian blast furnace operators to use only a portion of the Canadian ores and to purchase ores of lower grade from the United States which, mixed with the Canadian ores, give the most advantageous furnace burden.

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The output from the iron mines in Ontario is now approximately equal to the tonnage required for the furnaces in the province, W. M. Goodwin, Bureau of Mines, Ottawa, points out in a report on Iron Ore in 1947, though as mentioned above, most of it is exchanged for ore from the United States. This comparative equilibrium is likely to remain until the second open-pit at Steep Rock mine commences to produce a few years hence, or until additional sintering capacity is installed in Michipicoten to treat siderite. While output from the Helen mine is approaching its economic maximum, there are other deposits of siderite in Michipicoten which might be put into production. Steep Rock's output will be brought up to 3,000,000 tons or more a year when the "A" deposit is in full production, a few years from now. It is likely that within a few years the Ontario mines will have a substantial surplus of iron ore for export, above the tonnage required for the Canadian furnaces in their territory. Judging from recent figures presented by the American Iron and Steel Institute, Canadian producers need have little fear of a slackening of demand. Net sales of the American steel industry in 1947 reached a peacetime peak of $7,100,000,000, 130% over the previous record of 1929.

•

Steep Rock Iron Mines commenced 1948 shipments early this month. The 1947 shipments totalled 1,206,248 tons, an increase of 45% over the 1946 shipments of 830,481 tons. Steep Rock stood eleventh among the shippers of Lake Superior iron ore last

BUSINESS AND MARKET FORECAST

Technical Discussion

BY HARUSPEX

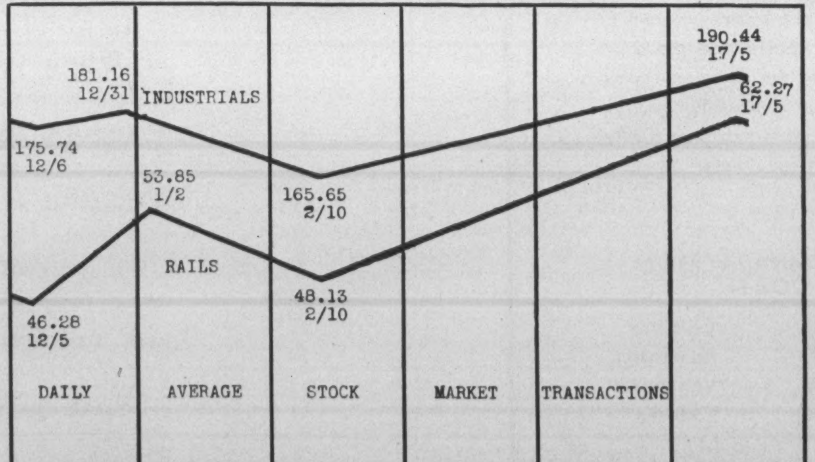
THE LONG-TERM MARKET TREND: Emergence of stock prices above the twenty-month trading range confirms a primary uptrend as under way. Barring war, movement could extend well into 1949. Recent action of the market also designates the intermediate trend in both averages as up.

After twenty months of churning within a restricted trading range, the stock market, as reflected by the Dow-Jones railroad and industrial averages, moved out cf this range on the upside on May 14, volume of trading being quite heavy on the break-through. This action confirms the market's underlying trend as upward. Barring war, it would seem reasonable to expect this movement to continue for sometime—probably into the latter part of 1949, possibly into 1950.

Major swings are not invulnerable, from time to time, to counter movements of an intermediate nature. The current upswing has now been running for three months, during the course of which the rail average effected penetration of its long trading range some month and one-half back. An intermediate setback, while not essential at this time, should not cause undue surprise should it develop. Considering the substantial buying power in the public's hands, it could be postponed for some while.

On the basis of recent penetrations, we assume readers have entered, or are in process of entering, part of their buying power in the current market. This will leave the remaining part to be entered should intermediate recession develop, or at a leisurely rate over the next several months in the absence of intermediate recession.

DOW-JONES STOCK AVERAGES



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By order of the Board,
L. P. WEBSTER,
Secretary.

Montreal, May 19th, 1948.

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A DIVIDEND of Fifteen cents (15c) per share for the quarter ending 30th June, 1948, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, payable 2nd July, 1948, to shareholders of record 4th June, 1948.

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Notice of Dividend

Notice is hereby given that a dividend of thirty-seven and one-half cents (37½c) per share has been declared for the quarter ending June 30, 1948, payable on June 15, 1948, to shareholders of record at the close of business June 15, 1948.

By Order of the Board.
H. J. FARNAN,
Secretary.

Hollinger Consolidated Gold Mines, Limited
DIVIDEND NUMBER 396

A dividend of 6c per share has been declared by the Directors on the Capital Stock of the Company, payable on the 30th day of June, 1948, to shareholders of record at the close of business on the 2nd day of June, 1948.

Dated the 21st day of May, 1948.
P. C. FINLAY,
Secretary.

year and had 1.55% of the total U.S.-Canada shipments of 79,685,143 tons, and Michipicoten shipments brought the Canadian contribution to 2.14%. The company guarantees to its buyers a minimum of 1,000,000 tons this year, but if more can be produced it will be shipped and sold. It is expected that the "B" open pit, from which all the present production is obtained, will maintain an annual output of a million tons or more for about ten years. Higher profits are envisaged for Steep Rock this year due to the advance of 65 cents a ton in the general price of iron ore and through probable extra premiums for certain classifications. The price rise of 65 cents a ton alone should add at least $650,000 to income on a million-ton basis.

•

Geophysical work carried out by Steep Rock Iron Mines during the winter proved interesting, with some suggestions of new ore. Diamond drilling gave more information on the "A" orebody, while the "B" was extended to the east. The drilling last winter was not looking for new deposits. In anticipation of the eventual trebling of the yearly output to 3,000,000 tons long term plans are being commenced. A shaft is being sunk in the headland to the north of Mosher Point, and there at a depth of 260 feet, a drive will be run both east and west, for a total of 3.300 feet in rock. This will permit the lowering of the water in Falls Bay. The company has arranged to install a 3,000-foot, 30-inch belt conveyor between the "B" open pit and the car-loading terminal.

•

For the past few months Starratt Olsen Gold Mines, in the Red Lake area, has been preparing for production, and this is scheduled to commence August 1st at a daily rate of 300 tons or more, which will be quickly stepped up to capacity of 500 tons. The mining plant and mill, formerly owned by Uchi Gold Mines, has been moved to the property and good progress is being made in construction. Ore reserves are calculated to be in excess of 500,000 tons, three year's mill feed at capacity, and grade is expected to be between $8 and $9, similar to the adjoining Madsen Red Lake. Finances for the plant and pre-production expenses are being provided by Hasaga Gold Mines, which owns 1,000,000 of Starratt's 3,000,000 shares.

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V. R. MacMillan, president, of Golden Arrow Mines, advises shareholders that Slocan-Rambler Mines (1947), in which it holds 507,000 shares, has recently been provided with sufficient funds to carry out an extensive development program. Supplies and machinery are being moved to this silver-lead-zinc property and underground work is expected to start immediately. The property was a profitable producer prior to 1925.

•

At Dickenson Red Lake Mines, where production is also planned for August, proving the continuity of orebodies underground between levels has been very successful so far, J. M. Brewis, managing-director states, and already in some areas extends from surface to the bottom level (515 feet) with indications of much greater depths. One downward extension, of the important 1-4956 orebody, was located by diamond drilling and where intersected showed 7.9 feet averaging $51.80 per ton, while an adjoining section gave five feet more for an over-all average of $34.30 over 12.9 feet. The drive to the Campbell "C" zone is less than 700 feet from its objective. Surface work has included excavating for the mill, heightening of the headframe to take care of bin capacity and building of a 125-foot dock.

•

The resumption of dividend payments by Bralorne Mines is expected this year. Austin C. Taylor, president, told shareholders at the annual meeting that "if the labor situation is not too bad and costs don't get too high, I am sure you will get your dividends this year." The company's cash position was approximately $755,000 at March 31 and it should soon reach the goal of $1,000,000 suggested as necessary before dividend payments are resumed. Earnings for the first quarter of 1948 were the equivalent of 10 cents per share, the best three-months period since 1943. The Summit King Mines, Bralorne's Nevada gold-silver producer, has made its first shipment to the United States mint.

•

The 150-ton mill at Ogama-Rockland Gold Mines, Manitoba, is expected to be in regular production June 1st. Ore reserves were estimated late last year at 57,000 tons averaging slightly less than half an ounce per ton, and it is expected this estimate should be duplicated on the three lower levels. The main three-compartment shaft has been deepened to 781-foot depth, and ore has been opened on all six levels of the mine. Gunnar Gold Mines owns a substantial share interest in the company and has advanced funds for development. The Gunnar mill machinery and equipment was purchased and moved over the winter road, and the Gunnar mill building dismantled, moved over to the mill site at Ogama-Rockland and reconstructed.

•

Arrangements have been completed for bringing New Rouyn Merger Mines, in the Rouyn area, into production at once. A contract has been signed with Noranda Mines for customs treatment of its ore. The initial rate of shipments will be 100 tons per day, but rate is expected to be up to 250 tons within a couple of months. Under the agreement, Noranda Mines will advance $50,000 for working capital, the loan to carry 5% interest. In consideration of the loan, Noranda has also received an option, good for one year, to purchase 50,000 shares of New Rouyn Merger stock at five cents per share. Noranda will treat the ore for $1.70 per ton and pay for 90% of the contained gold in the ore, provided the ore assays at least 0.18 oz. per ton. The contract, which is for a one-year period, will permit of a thorough test of the mine's ore and allow time to seek ways of raising the necessary capital to install the company's own mill.

The Stock Analyst

By W. GRANT THOMSON

SUCCESSFUL investment depends on knowing two things: (1) What to buy (or sell) (2) When to buy (or sell). The Stock Analyst—a study of Canadian Stock habits—answers the first question. An Investment Formula provides a definite plan for the second.

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GROUP "B"—Speculative Investments
GROUP "C"—Speculations

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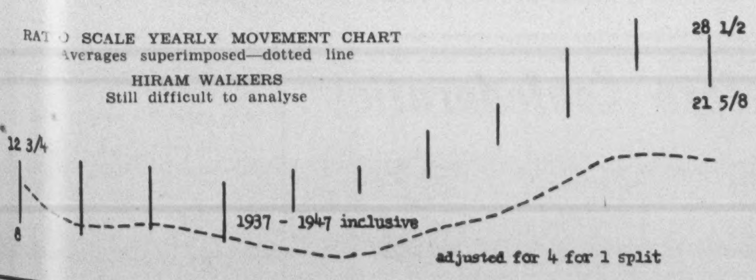
INVESTMENT INDEX	—	103	Last 12 months	Up	5.8%	Up	23.6%
GROUP	—	"B"	1942-46 range	Up	160.0%	Up	297.5%
RATING	—	Average (see below)	1946-48 range	Down	28,2%	Down	45.6%



SUMMARY:—The last time we issued an analysis of this stock we stated that any prediction of its future movements was hazardous but that it should probably be classed as a growth stock. During the intervening months it has fluctuated chiefly in the twenties, affording plenty of trading opportunities, but not showing definite signs of responding to its reports of almost exceptional earnings.

For the past two years the general market—according to Dow Theorists—has been indecisive and although stocks have been rising during recent weeks, yet we are supposed to be in a bear market. Traders are confused.

We do not care to be found in the role of a prophet, but for what it is worth, we would suggest that if a bullish signal is given under the Dow Theory, that Walkers will be one of the stocks that will respond very favorably to such signal. At least, it looks that way, owing to its relatively high velocity on the last two advances of the averages, and to its low velocity on declines.

NOTE:—Since writing the above summary the Dow Jones Averages have given a bullish signal and therefore those who believe in the Dow Theory will feel more confident to hold stocks in anticipation of eventually seeing higher prices.

Throughout the Ages

Papyrus – Parchment – Paper

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ABOUT INSURANCE

How Losses Occur in Business Through Employee Dishonesty

By GEORGE GILBERT

One reason why business firms consider it advisable to bond their employees is because there is such a great variety of motives which prompt people to steal that it is impossible to determine in advance whether any one will remain honest during the entire period of his or her employment.

While it is admitted that dishonesty losses cannot be entirely prevented, it is possible to reduce them to a minimum by making it more difficult for an employee to steal and by installing safeguards which will lead to the quick discovery of thefts before they reach large proportions.

ALTHOUGH many improvements have been made in recent years in accounting and auditing methods, inventory checks, etc., losses caused by the dishonesty of employees of business firms continue to increase, and if a reduction in such losses is to be effected employers must first make themselves acquainted with the methods commonly used to perpetrate thefts and embezzlements before they will be in a position to cope with them by preventive measures.

Of course it is impossible to make up a complete list of all the methods employed by dishonest employees to get away with the cash, securities or merchandise of their employers because they are as numerous and limitless as the ideas which can be formed in the brain of a human being. But the claim files of the bonding companies show that the common methods include the paying of fabricated accounts by cheques made out to fictitious persons and then cashing the cheques through a dummy. Invoicing goods too cheaply to customers and then securing a cash rebate from them is another prevalent method. Another way is by raising the amount of cheques and then destroying the vouchers when returned by the bank. Still another way is by the issue of cheques for returned goods which, as a matter of fact, were never returned.

Devices Used

Methods used in the dishonest manipulation of merchandise by employees include the acceptance, when purchasing goods for the firm, of inferior materials or improper prices in collusion with others, and the physical diversion of goods before and after receipt; and, in the case of sales of merchandise, by failure to record or invoice, by improper pricing, and by allowances or adjustments to cover unauthorized dealings. Purchases are often delivered short, or goods are carried off in collusion with truckmen. Merchandise may also be shipped in collusion with a customer at a price below regular value, or allowances and returns credited when there was no legitimate basis for such credits.

Methods used to cover up peculations include false footings in books to conceal cash misappropriations; the totals in the cash receipts book may be understated to cover recorded receipts not deposited or the cash disbursements overstated to offset the misappropriations. Another method is by overstating cash discounts, allowances and return sales on customers' accounts and pocketing receipts to the extent of such overstatements. The customers' accounts are balanced out by crediting them with a fictitious return sale or other allowance.

Other methods employed for covering up defaults include the failure to record or the understating of the amounts of sales; the diverting of collections and the charging off of accounts receivable to bad debts; false petty and other disbursement vouchers, fictitious vouchers being entered for items such as travelling expenses, stamps, etc.; the understating of cash discounts, allowances on creditors' accounts, the cash payment to a creditor being overstated in the disbursement record and offset by false understatement of discounts, allowances by or returns to the creditor.

Cheque Manipulation

In other cases the raising of cancelled cheques returned by the bank is resorted to by the defaulter to cover unauthorized withdrawals, the cash records being kept in balance with the bank account by offsetting recorded receipts which are not deposited in the bank to the extent of the amount raised on cheques. Forging of cheques on the bank account of the employer, or the abstraction of incoming cheques from the mails and having them cashed by an outsider by means of a forged endorsement are also means employed to defraud employers.

Another common method used to conceal thefts or shortages for the time being, in the expectation that later they will be made good, is what is called "swapping horses", that is, the appropriating of incoming remittances for other items to cover the existing shortages instead of crediting them to the proper accounts. Extracting ledger sheets is also a method employed to conceal shortages.

Lending the firm's money to concerns in which the employee is interested, and using the firm's name for personal speculation are means which have been used to profit at the expense of the employer. Paying bonuses to those not entitled to them and splitting the amount with them, and carrying dead men on the payroll, are also methods employed to defraud employers.

As a matter of fact, the experience of the companies engaged in the bonding business makes it plain that there is such a great variety of reasons which prompt employees to steal funds or merchandise or securities from their employers that it is impossible to determine in advance that a person will remain honest during the entire period of his employment. This is not only the consensus of bonding company officials but also of the various law enforcement agencies, and it applies to women as well as men.

How to Reduce Losses

It must be admitted that dishonesty losses cannot be entirely prevented, as long as human nature remains the same, but it is possible to greatly reduce such losses by making it more difficult for an employee to steal and by installing safeguards which will lead to the discovery of defalcations quickly and before they run into big figures.

One safeguard is to check all new employees thoroughly, their references and past history, before allowing them to handle cash or securities. In one recent case, several heavy losses were caused by employees who had been working only a few days. It was found upon investigation that these employees had previously been in trouble and had secured the jobs by using aliases and false references. The money was stolen before the employer had had an opportunity to check the references or the employees' past record.

It is advisable, if an employee handles a cash fund, that it be balanced by an officer or executive at frequent intervals. Such verification should prevent shortages in cash remaining undiscovered for long periods of time. Bookkeepers should be rotated at intervals so that one individual will not have control of accounts indefinitely. All employees should be required to take vacations at least annually.

While the bonding of employees for adequate amounts is the means employed by an increasing number of employers to protect themselves against dishonesty losses, the heads of some business firms have such a high regard for the trustworthiness of those in their employ that they do not see any reason for bonding them, while in other cases employers believe that their supervision of the business is so close that there is no possibility of a loss of any considerable amount occurring from such a cause.

But the court records as well as the claim files of the bonding companies show that dishonesty losses of large amounts do occur in the cas of firms with the most up-to-dat auditing and bookkeeping system and that "trusted employees" of lon standing and most unblemished pas records have also in many cases bee recreant to their trust and cause heavy and often crippling losses. O course, it is the trusted employee wh has the greatest opportunity to caus a heavy loss, and, in fact, is fr quently the only one who is in position to do so.

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P3-48

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated in Upper Canada 1833

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34 Years Before Confederation

ONTARIO QUEBEC NOVA SCOTIA NEW BRUNSWICK

On July 1, 1867, four Provinces—Ontario, Quebec, Nova Scotia and New Brunswick—were united by Royal Proclamation as the Dominion of Canada.

Yet 34 years before that time THE BRITISH AMERICA ASSURANCE COMPANY was incorporated in the Village of "Muddy" York (now Toronto) to transact the business of Fire and Marine Insurance. Agents were appointed in the Towns and Villages of what was then known as the Provinces of Upper and Lower Canada.

During the next century the Company expanded to a Worldwide Organization with Branches and Agencies in most parts of the Globe. It transacts practically every class of Insurance other than Life.

FINANCIAL POSITION
DECEMBER 31, 1947

Assets
$11,259,895

Liabilities to the Public
$6,936,325

Capital
$750,000

Surplus above Capital
$3,573, 570

Losses paid since organization
$92,596,684

HEAD OFFICE — TORONTO
Branches and Agencies throughout the World

Red Herrings Confuse Newfoundland Vote

By EWART YOUNG

Newfoundlanders will breathe more freely after the Referendum on June 3, whichever form of government is decided upon. The bitterest campaign in the country's history will be over. The introduction of the Confederation issue, after 79 years, has brought out the old cry of class-warfare, since most opposition to it comes from St. John's moneyed interests. For the past several weeks business has been practically at a standstill as a result of the uncertainty of the vote. This observer writes that the fight will be two-sided—between the supporters of Responsible government and those of Confederation with Canada.

St. John's, Nfld.

THREE forms of government, Commission, Responsible, and Confederation, are on the ballots which Newfoundlanders will mark in the Referendum on June 3. But to the great majority it will be a vote for parties and individuals rather than on the real issues of this historic balloting.

Ches Crosbie, for instance, will cast his influence over the polling booths in town and village, although what he is advocating, economic union with the United States, is not even on the ballot paper. A sharp controversy has developed over this last-minute effort of Crosbie, an ex-National Convention member and St. John's fish merchant, to tie Newfoundland up economically with the U.S. The Confederates pooh-pooh his idea, say it is merely a red herring to draw off votes from Confederation, and that, anyway, economic union with the U.S. is an impossibility. Crosbie argues that it is definitely possible and has produced messages from a number of U.S. Senators to support his contention. He is urging the people to vote Responsible government and "Take a Chance with Ches." Crosbie's party claims a membership of over 50,000, and "Economic Union" badges and posters have reached all sections of the country.

Major Peter Cashin, a former politician and agitator for self-government, is another who will influence the voting in favor of Responsible government. A lone voice in the local political field for some years, Cashin strengthened his hand as a member of the National Convention and has since joined forces with the Responsible Government League, a St. John's body with some outside membership and sponsor of *The Independent*, weekly Responsible government organ. Cashin has a certain following, especially among Newfoundlanders of Irish origin, and his vigorous efforts to restore self-rule in the island will tie down a fair number of votes for Responsible government.

Scientists aboard H.M. Submarine "Talent" are to explore the English Channel bed to obtain a complete picture of its geological structure.

Joseph Smallwood and the Confederation issue are synonymous in the people's minds. This dynamic little man has devoted all his time and boundless energy in the past two years to putting over Confederation to the people. He was constantly sparring with a hostile majority in the Convention, and his success in getting Canada's terms across almost single-handedly won for him the support and admiration of thousands throughout the country. Confederation will get a lot of votes because of Smallwood's personal crusade.

Gordon Bradley, K.C., who was elected chairman of the National Convention upon the death of Judge Fox, and in that capacity led delegations to London and Ottawa, has emerged from the Convention debacle and the subsequent campaigning without any loss of prestige or respect. The fact that Bradley has taken a strong stand for Confederation—he is President of the Newfoundland Confederate Association—will have considerable effect on the results on polling day.

These are the Big Four of the Newfoundland political scene, the front-line generals in the greatest battle of words this island has ever witnessed. Aided respectively by a host of lesser lights, Crosbie and Cashin, who are working for the same end but independently, and the Smallwood-Bradley Confederate combine, are flooding this bewildered country with propaganda and bitter cross-fire which is warming to fever-pitch as R-Day draws near.

Tug-of-War

Through all the arguments, confusion, side issues and "red herrings", it is clear to everyone that a gigantic tug-of-war between the Confederates and the antis is the real issue of the forthcoming Referendum. Hundreds of thousands of dollars are being spent by the Responsible government advocates to persuade the voters that Newfoundland would have a substantial deficit annually as a province, that the cost of living would not be any cheaper under Confederation, that taxes would be increased, and the island's fisheries ruined.

Basically the fight of 1869 is being re-enacted, with all the old arguments and bogeys of taxation being pulled out to scare the electorate. Confederation went down to defeat in that election, but this time the people are more enlightened, thanks to the radio, and they have the experience of 80 years of Responsible government to mellow their views. If this time they vote against union with Canada it will be because they hope to get a better deal with the United States through their own elected government.

The Confederates are hammering away by radio and in *The Confederate*, weekly organ of the Association, about the benefits of family allowances, old age pensions, and other advantages that would come to Newfoundland under the "terms" of union obtained from the Canadian Government through the National Convention in 1947. They have printed in table form exactly how much money would go into each place in Newfoundland monthly through baby bonuses and old age pension payments, which no doubt will prove tempting bait to many voters.

Opinion here is that Commission government, which has done no active campaigning and so far has had no champion outside its ranks to take its case to the people, will run a poor third in the June voting. Those actively in the fight are not worrying about this form of government in their campaigning, which would indicate that they have written it off as a sure loser whatever happens. The race is almost certain to be between Responsible government and Confederation. If either does not get a clear majority of votes, a second referendum will be necessary.

Class Warfare

The re-introduction of Confederation, after what was considered to be its final death-throes in 1869, has brought out into the open the old cry of class-warfare. Since most of the opposition to it stems from the moneyed interests in St. John's, Confederate campaigners have used the anti-merchant theme to drum up support for their cause among the masses. This has produced a great deal of bitterness and abuse in radio talks and printed propaganda. For money to carry on their campaign the Confederates have had to depend on small contributions from sympathizers, and in acknowledging these gifts they have emphasized the willingness of the ordinary people to pay what they can "for what they believe in".

Novel aspects of the campaign include trips by aircraft into the bays and harbors, the dropping of leaflets by air, and radio programs with music and fanfare of the commercial type. Business has been practically at a standstill for the past month or so as a result of the uncertainty of the vote. Importers are adopting a wait-and-see attitude, and indeed the whole life of the country has been slowed up in anticipation of what will happen when 170,000 voters have their rendezvous with destiny on June 3.

NOTICE

Certificate of Registry No. C 1127 authorizing American Reserve Insurance Company of New York, N. Y., to transact in Canada the business of Water Damage Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to Fire Insurance, Windstorm Insurance, and, in addition thereto, Civil Commotion Insurance, Falling Aircraft Insurance, Hail Insurance, Impact by Vehicles Insurance, Limited or Inherent Explosion Insurance and Sprinkler Leakage Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, for which it is already registered.

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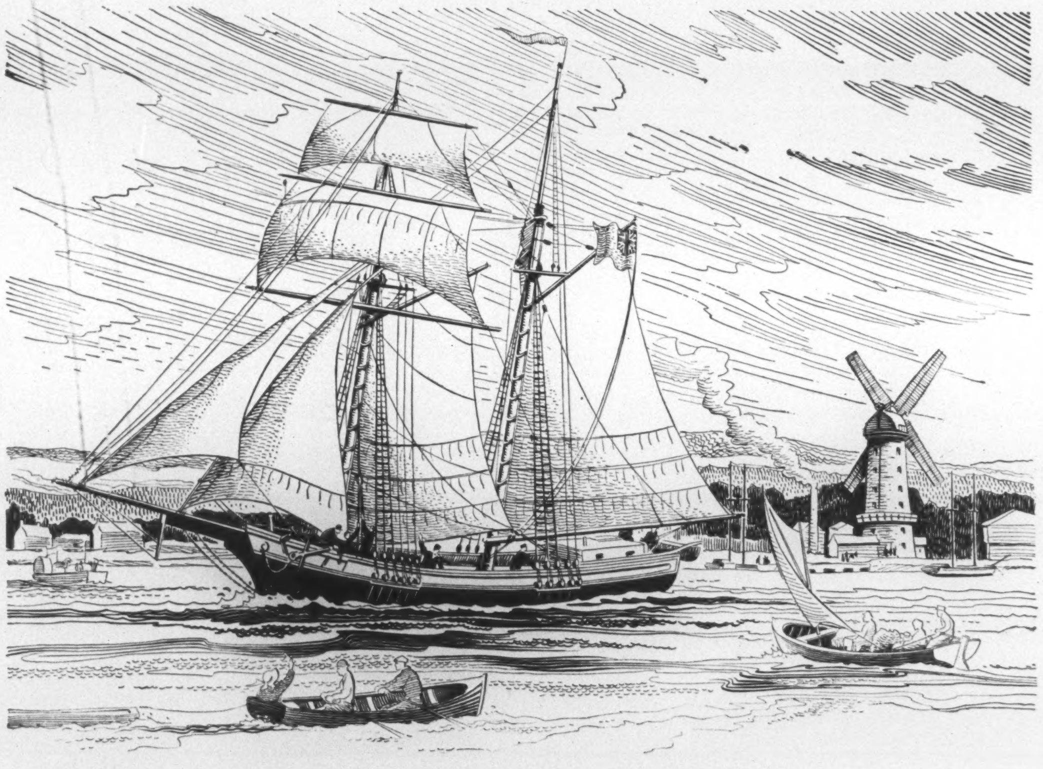

The year was 1840...

. . . the month, May—an historic cargo was aboard the schooner "Fly" when she stood out from Gooderham & Worts wharf.

As her master, James Gooden, felt the lift of Lake Ontario's swells, it is unlikely that his thoughts went beyond the shipmaster's routine concern for his cargo's safe delivery. But this was no ordinary cargo—for the "Fly" carried the first recorded shipment of manufactured goods from Upper Canada!

The "Fly" sailed only to Montreal. Today, 108 years later, by ship and train, truck and plane, Canadian goods go to every part of the world. Canada holds third place among nations in actual volume of international trade.

World Trade Week reminds us of the vital importance of International trade. Let no Canadian forget that our standard of living largely depends on trade—let no Canadian forget that Canada's reputation for reliability depends on the earnest efforts of every individual connected with farm, industry, and business.

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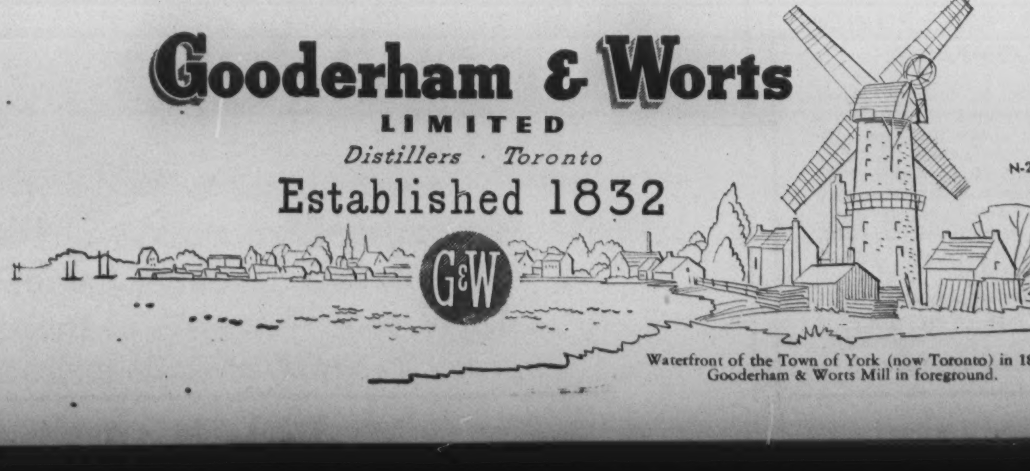

N-20

Waterfront of the Town of York (now Toronto) in 1832.
Gooderham & Worts Mill in foreground.

Company Reports

Dominion Woollens

REFLECTING a year of active business under more favorable operation conditions, the annual report of Dominion Woollens & Worsteds Ltd. shows net earnings for 1947 equal to $1.82 a share on outstanding capital stock of the company as compared with net for preceding year equal to 69 cents a share.

Last year's net was after a special appropriation of $462,792 for inventory reserve and, before allowance for this write-off, net equal to $4.96 a share, after depreciation bond interest and taxes, is indicated.

Net operating profit for 1947, before depreciation, bond interest and taxes, but after special provision for inventory reserve noted above, is shown in the report at $704,623 as compared with the 1946 figure of $330,308. Depreciation allowance was increased to $165,000 from $77,700 in 1946; bond interest was about $3,700 lower at $79,539; while tax provision was up at $192,500 from $68,200. Net earnings after all charges for year under review were up at $267,584 from $101,149 in 1946.

The balance sheet shows net working capital moderately higher than at the end of 1946 at $1,769,190 as compared with $1,485,114 with current assets increased by about $535,000 at $3,664,706 and current liabilities up about $250,000 at $1,895,516. Inventories are shown about $240,000 greater at $2,902,625 and receivables up over $320,000 at $756,173. Among current liabilities, bond loans are nearly $300,000 lower at $832,000 while accounts payable are up $545,000 at $815,748 and taxes payable amount to $85,000 as compared with $18,200.

Can. Insurance Shares

NET profit of $93,633 is reported by Canadian Insurance Shares Ltd., for 1947, against $69,479 in 1946. Dividends received by subsidiaries amounted to $88,702 and other dividends and interests received totalled $5,185, as compared with $66,437 and $3,485 respectively the year before. After addition of $3,694 profit on securities sold during the year, earned surplus was increased to $602,115 from $512,176 at end of previous year.

Can. Ingersoll-Rand

The annual report of Canadian Ingersoll-Rand Co. Ltd. for 1947 shows both gross and net profits of the company at new high peaks for year. Gross profits of $2,427,633 show an increase over the previous year's figure of nearly $1,000,000 and, despite higher taxes and other charges, net earnings were up from $847,981 in 1946 to $1,274,429. Net was equal to $6.67 per share on the 191,158 shares of capital stock outstanding at the end of 1947 as compared with $4.47 on 189,658 shares for the previous year.

Provision for taxes was up from $549,015 to $980,660 for the period just ended and there was a reserve for depreciation of $165,714 against $125,099 in 1946. Current assets amounted to $7,838,486 at Dec. 31, 1947, against current liabilities of $1,984,588, leaving net working capital of $5,853,898 compared with $5,534,251 at the end of 1946 and $4,860,291 at the close of 1945.

Declaration of a dividend of $1.50 per share payable June 25, 1948, to record June 11, following a similar payment on April 1 indicates an annual dividend rate of $6 per share. For 1947, the company paid $4.25 per share as compared with $2 paid for 1946.

Viau Ltd.

NET income of Viau, Ltd., for the year ended Jan. 31, 1948, was at an all-time high of $207,268, or $3.83 per share common, after preferred dividends, as compared with net income of $148,663, or $2.43 per share common, reported for the previous year. Gross profit on sales was substantially improved at $835,169, against $635,521, and, after operating expenses of $411,685 against $315,135, net operating profit was up from $320,386 to $423,484. Reserve for depreciation amounted to $55,282 against $43,734 while provision for income taxes was $168,517 against $135,153. Giving effect to the regular $5 preferred dividend and two 25-cent disbursements on the common (payments on which were initiated in October) amount charged to earned surplus was up from $108,948 to $149,776.

Reflecting capital expenditures of $126,042 made during the year for plant expansion and purchase of machinery, an amount of $175,500, which was used for the redemption of an additional 1,775 preferred shares, net working capital at Jan. 31, 1948, was down somewhat from the preceding year at $508,409, as against $599,946.

THE SHAWINIGAN
WATER AND POWER
COMPANY

NOTICE is hereby given that a dividend of fifty cents (50c) per share has been declared on the Series "A" 4% Cumulative Redeemable Preferred Shares of the Company for the quarter ending June 30, 1948, payable July 2, 1948, to shareholders of record June 2, 1948.

By Order of the Board.
H. G. BUDDEN,
Secretary.
Montreal, May 20, 1948.

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Men like this, some of Canada's finest, are in the public's service—at *your* service.

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One of a series of advertisements in tribute to those Canadians in the service of the public